Featuring Northern Quebec

# THE FINANCIAL POST

*The Canadian Newspaper for Business Men and Investors*

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## "TRUST BUSTING" OTTAWA'S CURE FOR DEPRESSION

### Business Fears Diversion of Public Attention From Vital Issues

### MORE STEEL ORDERS

### West's Civic Finances Showing Effects of Better Farm Crops, Improvement in Prices and Conditions

The interest of business throughout Canada is still centred on activities at Ottawa. The investigation of the Nash-Mutual combination of jobbing and brokerage houses following the attack on the North Atlantic combine is fresh evidence of the intention of the government seriously to attack combines whose activities are in restraint of normal trade development, as a means of remedying depressed business.

The remedy suggested in the case of this new monopoly which is brought before the public eye in the form of a huge fruit and vegetable combine operating principally throughout Western Canada, is the application of the Combines Investigation Act of 1923, and the establishment of a nation-wide selling agency controlled by the producers.

The general principle involved in these two cases seems to be that the normal development of trade is being interfered with to such a degree that the interference is a leading contributory factor in the unsatisfactory state of business from which the country is suffering, and in unemployment. Assuming this to be the case, public opinion is decidedly behind the government in any effort to break the power of combines whose operations are shown to be detrimental to business. Public sympathy, moreover, is with those who have lost in the Home Bank crash and whom the government has promised to reimburse.

Apart entirely from the merits of such issues, fear arises in business circles, however, that, should an election be based on these questions, as seems probable, public attention may be directed from the more vital issues of taxation and the tariff.

**Little Inclination to Economize**

Unfortunately there is little indication of any serious attempt to introduce economies. Both the new budget and the general policy of the government seem to indicate that matters of taxation have been brushed aside in favor of these other issues. Industry has been hampered, and the country has suffered from an extremely heavy burden of taxes, and despite many warnings, no relief is in sight. The industrial situation is such as to make profits all but impossible as reflected in financial statements such as that of the Monarch Knitting Co., Ltd., which shows a loss during 1924 of $52,324 while the Dominion Government Sales and Excise stamp taxes alone took $95,125 from the company.

**Western Trade and Finance**

Trade conditions in Western Canada have shown more indications of sound betterment since the beginning of the year than for a long time previous. Even in civic and municipal finance there are very many cases where a deficit of some years' standing has been changed into a surplus, and it is reported from many sections that the collection of taxes is much easier and better than for some years. Whether this is due to better agricultural prices and conditions, as seems probable, or possibly to the utter necessity of doing something to remedy a very bad financial position, is immaterial. The fact remains that not a few boards which were in difficulty a short time ago, now report a handsome surplus.

In Eastern Canada railroad equipment and construction requirements have given substantial orders to a number of the steel plants, as reported in detail later in this issue, and more men are being taken on by these plants each day. While the steel industry has not had anything like the degree of business expansion experienced by the United States plants, the Canadian plants have not discounted future business to the extent that the others have done, and improvement is likely to be better sustained for this reason. A steady upward movement in car loadings since the last week of December shows the direction of the underlying trend.

### Is Home Bank Payment Sign of Early Election?

From Our Own Correspondent

OTTAWA.—While the moral claim of the Home Bank depositors is admitted there are many students of public affairs who are asking where the drain on the public funds would end if governments undertook to meet all moral claims. Tariff changes and the sales and luxury taxes are mentioned.

Also the point is being made that the government's Home Bank announcement having been delayed until this time would seem to be a reliable indicator of an early election.

### Russian Communists Organize Successful Schools in Canada

LONDON.—The success of communistic propaganda in Canada is the subject of an article in the Moscow newspaper Pravda, according to the London Morning Post's Russian correspondent. This article asserts that special communist lecturers have been travelling through Canada, and that the number of Canadian members of the communist organization has increased considerably in the last few months, so much so that several training schools of communism have been organized in different parts of the Dominion.

According to the Pravda article "the Canadian communist party has been carrying out a most bitter war against the so-called One Big Union in Nova Scotia and against the Canadian trades union. The communist party in Canada also organized in the recent miners' strike in Western Canada, and is at present actively engaged in setting up soviets of unemployed in various parts of the country."

## DOES HOLT NOW CONTROL PRICE BROTHERS CO.?

### Power Magnate Said to Have Larger Interest in Company

From Our Own Correspondent.

MONTREAL.—It is understood that Sir Herbert S. Holt, president of Montreal Light, Heat and Power Cons., and president of the Royal Bank of Canada, has been taking a great interest in the affairs of Price Brothers and Company, of late, and has acquired large stock holdings. Information supplied to THE FINANCIAL POST is to the effect that Sir Herbert now holds control.

Sir Herbert's growing interest in Price Brothers will lead to speculation along other lines because of his important connection with the gigantic Duke-Price power development in Northern Quebec.

The Duke-Price development has been carried out by interests entirely different from the group that has built up Montreal Light, Heat and Power, Shawinigan Water and Power and the numerous companies affiliated with these two.

There has been some speculation as to the likely attitude of the two groups, one to the other. Duke-Price had only three potential markets for power. First there was the market that would be provided by huge industries built in its territory such as the new mill of Price Brothers, which will absorb most of the initial production. Secondly, there was the market afforded by the communities along the north shore of the St. Lawrence River between Montreal and Quebec and including the territory in and around those two cities and the St. Maurice Valley. The Shawinigan-Montreal Power group had this market well in hand through the ownership of important distribution systems and it was apparent that the Duke-Price Corporation could not break into this market except by negotiation with the local group. The third potential market was the United States and, as is well known, public opinion in Canada is decidedly against the export of water power. And both Sir Herbert Holt and other power leaders of Quebec were understood to be strongly opposed to the export of power.

**Relation of Power Groups**

If the acquisition by Sir Herbert Holt of important holdings in Price Brothers were the first step to closer unity of operations between the Montreal Power, the Duke-Price and the Shawinigan groups, it would be a move of considerable significance in the life of Quebec province.

Holt is already an important investor in pulp and paper securities. He is largely interested in Belgo-Canadian Paper Company, and is understood to have quite an interest in the affairs of the Spanish River Pulp and Paper Mills and Fort William Paper Company.

In any ownership in Price Brothers, the power magnate will be in close association with Baron Beaverbrook, who has maintained an important degree of control in Price Brothers since going to England to become a leading newspaper publisher.

Price Brothers shares have held steady on the exchange and are, in fact, selling at levels above the point reached following the tragic death of Sir William Price, a few months ago.

### Brains as Well as Money Needed to Insure Success

"British Columbia is strewn with the wrecks of English concerns that have gone out there, invested large sums of money, and sent out sons or relatives to run them whose sole idea was to have a good time."

The above is taken from a letter by Griffith J. Thomas to the Monthly Bulletin of Canadian Chamber of Commerce, London, following a business trip to British Columbia. The bulletin, commenting on the letter, says: "There have, of course, been other causes. If United States concerns can make enormous successes, why cannot British? It seems in many cases to be merely a matter of sending out the right men as managers.

## CONSUMER DID NOT BENEFIT BY RATE REDUCTION

### That is Effect of Evidence on the Crow's Nest Adjustment

### QUOTATION DETAILS

### Figures Presented of Prices Before and After Changes, But These May Not be the Whole Case

From Our Own Correspondent.

OTTAWA.—The return of the Crow's Nest commodity rates last July, and their withdrawal last October by the Railway Commission, has led to careful enquiry as to whether or not the saving in freight charges in the last analysis were passed on to the consumer. A comparison of prices with freight costs added, before and after the coming of these rates into effect, has shown that in the case of at least seven of these commodities prices were not reduced, consequently the consumer did not get the benefit.

The comparisons have been made on jobbers' prices to retailers, based on the carload rate at Winnipeg, Regina, Calgary and Edmonton; also comparisons between differences in price and differences in freight costs. The period covered was June 30 and Nov. 30. The Crow rates went into effect on July 7, and went out on October 27 by order of the commission.

Barb wire.—On June 30, when the ordinary freight rates were in force, the price in Winnipeg including freight cost was $4.10. On July 7 the Crow's Nest rates went into effect and the Winnipeg prices went down to $3.95. At Calgary, however, the price including freight, which on June 30 was $4.70 remained unchanged. As a matter of fact, the difference in the Calgary price, as compared with that in Winnipeg, was higher after the Crow's Nest rates went into effect than before; for whereas on June 30 the Calgary price was 60 cents higher, after that it was 75 cents higher, though the Crow's Nest freight cost over Winnipeg was only 48 cents as compared with 73 cents ordinarily. The computations of freight cost were made on a roll of barb wire, 80 rods, weight 85 lbs. and taking the freight rates from Fort William west.

Bar iron.—Here the figures for freight cost are based on 100 lbs. of ¾ inch round bar iron, and taking the rates from Fort William westward. At Winnipeg on June 30 the price including freight was $4.90. Though the Crow's Nest rates came in July 7, there was no reduction in the price until September 30, when it dropped to $4.75. At Regina the price including freight remained at $5.40 during the whole time that the Crow rates were in force, though they were supposed to be nine cents lower. At Calgary the price remained constant, though the Crow's Nest rate, over Winnipeg, was

(Continued on page 27)

### Government Should Keep Out of Shipping

From Our Own Correspondent.

OTTAWA. — Australia's experience with government operated ships seems to have been no more satisfactory than Canada's. Since 1921 Australia has written off about $55,000,000 on this account and it is now planned to dispose of the fleet before there is further loss.

There is a feeling on the part of the business men throughout the country that the Canadian government would do well to follow Australia's example, the belief being that the only hope for reduced taxation is to stop some of the leaks.

Also the feeling grows that the shipping problem is far too big to be solved by the government's subsidy policy. The benefits to the company receiving the subsidy are plain enough but the benefits to Canadian shippers and taxpayers are not so evident.

## Gold Finds in Northern Quebec Followed by Big Developments

Progress in the new gold fields of Northern Quebec recently has been such as to set the stage for a tremendous development during the present year. The Quebec field has been retarded by lack of transportation. It is now assured of two railway lines and a greatly increased activity in the development of numerous properities is already apparent while the one large proven property, Noranda's Horne mine, will shortly announce its plans for financing and bringing the property to production. Indications are that this section will for a time provide the most active new market for equipment and supplies of any section of the Dominion.

The outlook is that the Quebec field will be a camp of big projects. There are already a number of strong concerns in the field and they have secured large acreages. Amalgamations already under way promise to absorb several of the smaller concerns into mergers with acreages running up into the thousands.

In the meantime new discoveries are gradually extending the boundaries of the camp. Free gold is being found everywhere and some spectacular veins are being opened up. Authorities who have visited the camp of late say there are already indications of several mines, in which a number of the prospects are looking very good.

The second section of this issue deals in full with the new Quebec field.

## Millions Public Money Spent Without Audit

### Nearly $50,000,000 of Government Stores Wastefully Handled — No Audit of Securities in Finance Department or of German Property Fund — Startling Revelations in Auditor General's Report

From Our Own Correspondent.

**Features of Gonthier's Report**

Millions in government stores wastefully handled and with no audit.

German property fund and other trust funds administered without check by government auditor.

Thousands of dollars spent in printing itemized details of expenditures although every other country in the world has abolished practice.

No attempt made to see that all revenues due government are collected.

Over $168,000,000 of past due accounts carried without investigation into collectivity.

No standard system of accounting in government offices.

No examination of securities carried in by finance department, the largest banking office in Canada.

No audit of accounts of bodies receiving immense advances from the Dominion.

MONTREAL. — Among governmental officials at Ottawa the opinion is expressed in private conversation that savings running into hundreds of thousands a year can be effected in governmental expenditures if the recommendations of the auditor-general for the strengthening of the government audit systems are accepted. The present lax system of audit is costing the country amazing sums through inefficiency and waste, it is freely admitted.

George Gonthier, the new auditor-general, was in office only two of the twelve months of the fiscal year 1924 covered by the report that he has just issued. Yet his report is bristling with recommendations, which are believed to be but the forerunner of many improvements he intends to try and put into effect in the handling of government money. He was an expensive official for the government; taking him away from a large and remunerative private practice as a chartered accountant necessitated the profferment of a salary such as few Ottawa officials obtain, but it seems apparent that he is going to save the country many times his salary yearly.

**Government Stores Run Loosely**

One startling, upsetting fact is revealed by Mr. Gonthier's report that the government stores are largely handled without regular or systematic audit. Merchandise to a value of anywhere between $25,000,000 and $50,000,000 in depots all over the country is "kept under all kinds of conditions, too often without proper methods of stock keeping and control, inviting slackness in administration and resultant waste."

A test investigation made by Mr. Gonthier of one branch of government stores showed the following conditions, which are believed to be prevalent throughout most of the government stores:

(a) Stores kept in a very unsatisfactory way, storing or handling facilities being poor, store-houses inadequate.

(b) In some cases, where stock ledgers were kept, discrepancies representing large amounts were found between the stock accounts and the stocks actually on hand.

(c) Records not kept up to date or in some instances not kept at all.

(d) Stores issued without requisition or authority.

(e) Storekeepers incompetent to keep records properly.

(f) A system of stores accounting which was found satisfactory when adopted in large depots proved unsatisfactory when applied to smaller stores.

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## Why Hydro Should Pay Rent

Premier Ferguson's intimation that the Ontario government proposes to charge the Hydro Commission a fair rental for the water used in the development of electric power is regarded in business and financial circles as indicating that Sir Adam Beck's projects are being brought to a sound business basis. It is believed also that the government is bringing pressure to bear upon the Hydro to make up the deficits in sinking funds which have been revealed as the result of investigations of the Gregory Commission and the Smithsonian Institution and were first pointed out a couple of years ago in a report to the Bond Dealers Association of Canada. These deficits now approach $20,000,000 and are regarded as a big factor in the shortage of sinking funds in connection with provincial finances—although there is no definite information available on this point. Higher rates on the basis of service-at-cost would seem to be the logical consequence of these developments.

The idea that the Hydro should pay water rentals has long been advocated by THE FINANCIAL POST not only to put the Hydro on a fair competitive basis with private power companies, but to provide income for the province. Niagara Falls belongs to all the people of the Province of Ontario and those who benefit from Niagara power should be willing to pay for the benefits derived.

Likewise users of power should be prepared to pay a charge which will provide sinking funds as well as operating charges. The report of Engineer Wyer to the Smithsonian Institution, pointing out sinking fund deficits is being widely circulated among American financial houses and investing institutions, and threatens to become an adverse factor in regard to Ontario's borrowing market. Sir Adam Beck has replied to Mr. Wyer with a lot of loose statements, but he has failed to meet the facts altogether. Sir Adam's answer may serve political purposes in Ontario, but it will not go far with the experts of the financial houses who market Ontario's bonds.

Typical of the adverse advertising Ontario is receiving, is an article occupying the entire front page of the United States Investor which summarizes the Wyer report under the heading, "The Ontario Hydro's Unpaid Bills—A Story of Government Operation." In this article the point is very effectively made that:

> "Government operators are always careful to get a rate sufficient to cover operating expenses, but they seem unable to understand the meaning of financial expenses."

The charging of fair water rentals and the enforcement of adequate sinking fund provisions are two of the steps advisable to bring the Ontario Hydro to a sound business basis.

## NESBITT ACQUIRES MACKENZIE STOCK IN 'PEG ELECTRIC

### Overhanging Block of Shares Removed From the Market

From Our Own Correspondent

MONTREAL.—It is understood by THE FINANCIAL POST that control of Winnipeg Electric has now passed to A. J. Nesbitt, president of Nesbitt, Thompson and Company. While no statement has been issued, it is understood that the large block of common shares of the company that has been in the hands of the Mackenzie-Mann group has been acquired by Mr. Nesbitt and associates, and that these shares, together with the extensive holdings formerly owned by Mr. Nesbitt and his group, give to the Eastern financiers control of the company.

The move is regarded as highly constructive in two ways; first in removing from the market the pressure of a large block of overhanging shares that have been a depressing factor since the death of Sir William Mackenzie, and, secondly, in putting control of the company's affairs in the hands of a successful public utility financier who has given to all of his companies effective and public-spirited leadership.

This transaction, as much as the favorable news of negotiations between the company and the city of Winnipeg, has been a factor in stimulating activity in Winnipeg Electric common shares, which sold over 45 this week.

The negotiations between the city and the company have as their end a favorable satisfactory division of territory between the company and the city to prevent expensive duplication of services and rate cutting. It has been suggested that the city of Winnipeg should purchase the company's electrical distribution system within the city limits and operate it as part of its own city light service. The company would then continue to operate the street railway and gas supply services. Its subsidiary, the Manitoba Power Company, would control the distribution of power in the suburbs of Winnipeg, and throughout the remainder of Manitoba without interference from the city system.

From the standpoint of Winnipeg Electric and Manitoba Power the chief advantage would be that the company would find a growing market for the excess power and the potential power in the company's big development at Great Falls.

## TO REDUCE TAX LEVY ON CAPITAL AND BUSINESS

### Manitoba Economic Conference Recognizes National Needs

### RECOMMENDATIONS

### Would Reduce Burdens on Business, Encourage New Capital, Adjust the Levies on Property

From Our Own Correspondent.

WINNIPEG.—Taxation was the outstanding problem discussed at Manitoba's second economic conference and important suggestions were adopted. Taxes on business, incomes and property were all considered, and the inheritance levies did not escape attention. Recommendations were directed to the reduction of the business taxes to a basis where they will not discourage trade and industry, to the adjustment of the income tax to a basis comparable with the United States and to the placing of property taxes on income from real estate rather than investment, while it was pointed out that inheritance levies were discouraging the accumulation of wealth in the country.

"A moderate business tax is economically justifiable," said Prof. A. B. Clark, in introducing the subject of the Business Tax, "but a heavy one can only end in driving business away from the sphere of influence of the taxing authority." Saying that, as the business tax was the only important revenue-producing supplement to the all-important real property tax and that, therefore, it was essential that it should be levied on an equitable basis, he proposed a business tax levied on the net income of every business—a measure which would call for effective co-operation between the provincial and federal authorities.

Inheritance taxes and taxation on industry were among the main topics considered. Introducing the former subject, R. M. Fisher maintained that the West was madly in need of capital, but that by excessive inheritance taxes it was building walls against investors. "From rather extensive inquiry, observation and experience," he said, "I am satisfied that by reason of the operation of the principles I have suggested, capital is being destroyed, is being withdrawn from and kept out of Manitoba, and the revenue to the province would be greater under reasonable rates than under our present high rates, as the incentive to practice methods of avoidance and evasion would be gone." He went on to deal with multiple succession duties, which he regarded as becoming a grave problem in Canada, when "we realize that in cases of double duty on third to one-half the asset may be

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### Manufacturers Finance Absorbs Dominion Guarantee

From Our Own Correspondent

MONTREAL.—The shareholders of the Manufacturers' Finance Corporation have ratified the proposal to absorb the Dominion Finance Guarantee Corporation. The new company will have a paid up capital of $1,000,000, and will be the largest automobile and piano discount institution in Canada.

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Dividend No. 152

Notice is hereby given that a dividend at the rate of 8% per annum upon the Paid-up Capital Stock of the Union Bank of Canada has been declared for the current quarter, and that the same will be payable at its Banking House, in the City of Winnipeg, and also at its branches, on and after Monday, the Second day of March, 1925, to shareholders of record at the close of business on the 14th day of February next.

The Transfer Books will be closed from the 16th to the 28th day of February, both days inclusive.
By order of the Board.
J. W. HAMILTON,
General Manager.
Winnipeg, Jan. 16th, 1925.

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# RAILWAY ORDERS SUPPLY BUSINESS TO STEEL PLANTS

## And Sizable Orders Have Been Issued in General Construction

Unlike the situation in the United States where the unfilled tonnage of the U. S. Steel Corporation tells the story of rapid recovery in demand as well as indicating a tendency to discount the general business improvement some months in advance, the progress in Canada is slow and confined to special lines. The Canadian situation indicates a development which is in keeping with gradual expansion in actual requirements rather than a discounting of future needs and prospects. In this respect the Canadian position is the healthier of the two.

Railway requirements have provided a large part of the new business in Canada. Work on orders recently placed is proceeding satisfactorily. Branch line construction on the Canadian National is placed at $8,000,000 for 1925, and it is understood that the Ontario Government Railways are planning important additions. The Canadian Locomotive Company has received orders for several locomotives and according to "Canadian Machinery" the Eastern Car Company, a Besco subsidiary, is now busy on 175 auto cars for the Canadian National and will shortly start work on 1,700 mine cars for the British Empire Steel Corporation. The blowing in of another blast furnace of the Algoma Steel Corporation signalizes the carrying out of the new contracts obtained by that company, as previously reported. This company has five months work on hand and prospects of additional orders.

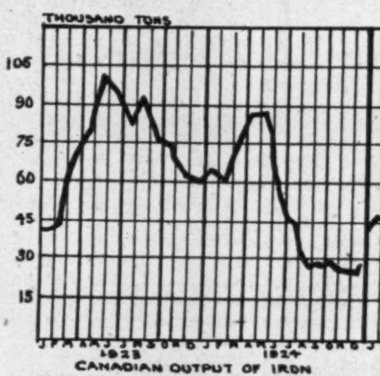
Important new orders in the construction field have also been received. The contract for the electrical installation work on the extensions to the International Paper Company's mill at Three Rivers has been awarded to the Canadian Comstock Company. Important gas and filtration plant orders are also being given out, and a number of the leading foundries and small steel product plants report business to be much better than was the case a month or two ago.

While the price of pig iron remains stationary for the present, a considerable amount of business is being transacted all the time, orders covering hand-to-mouth requirements.

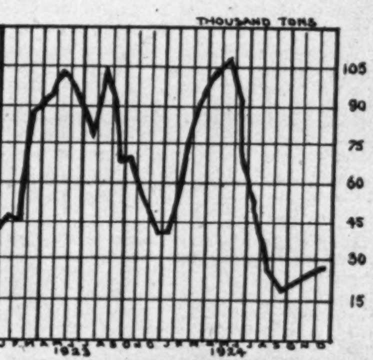
In the United States steel mill operations continue at about 85 per cent. of capacity as against an average of 68 per cent. for the year 1924. More pig iron was made in January than in any other January in history. Price advances in such lines as bars, sheets and wire products are in prospect.

The greater activity assures better earnings during the first quarter of 1925 than for the last quarter of 1924. In regard to market for steel products it is singular that while Canada is the best market for United States steel products, the latter country is also the best market for Canadian products. The advantage is with the United States, however. During the last fiscal year Canada imported 902,562 long tons of basic iron and steel products, while our exports totalled only 218,716 tons, which was a decline of 11 per cent. in comparison with the previous year. Details of our exports for the last three fiscal years are shown in the following table:

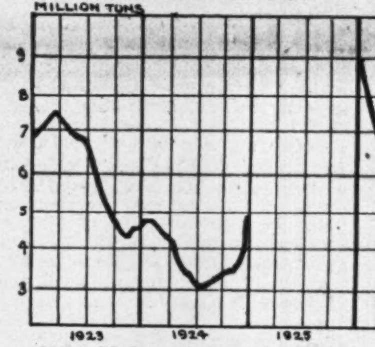
| Long Tons | Fiscal year ended Mar. 31<br>1922 | 1923 | 1924 |
|---|---|---|---|
| Pig iron and ferro-alloys ......... | 12,137 | 57,553 | 65,946 |
| Ingots, blooms, billets and slabs .......... | 14 | 132 | 554 |
| Scrap ........... | 45,328 | 151,755 | 79,704 |
| Railway bars or rails .......... | 15,029 | 12,912 | 19,815 |
| Bars and rods... | 4,850 | 9,048 | 30,685 |
| Plates and sheets | 54 | 37 | 103 |
| Structural steel.. | 1,103 | 416 | 3,622 |
| Barbed wire .... | 573 | 6,195 | 3,520 |
| Nails, spikes, and tacks .......... | 1,871 | 8,111 | 13,615 |
| Bolts and nuts... | 456 | 447 | 1,152 |
| Total .......... | 81,415 | 246,606 | 218,716 |



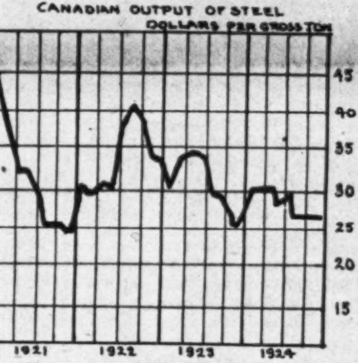
CANADIAN OUTPUT OF IRON



CANADIAN OUTPUT OF STEEL



UNFILLED TONNAGE U.S. STEEL CORP.



PRICE OF FOUNDRY PIG IRON

# BRITISH OPINION UNANIMOUS FOR GOLD PAYMENTS

## Only Point of Dispute is Whether Time is Yet Ripe

While no date has been specified by the British government for the proposed resumption of gold payments and a free gold market, the chancellor of the exchequer announced in the House recently that the government intended to revert to the gold standard at the earliest possible moment. Some of the larger financial institutions are urging immediate action, while caution is advised by others. The February issue of the Bankers' Magazine of London has an exhaustive summary of the situation, the burden of which is contained in the last paragraph here reproduced:

"But while the task of reaching a decision in this very momentous matter is admittedly a difficult one to-day, it may be doubted whether at any time it would be possible, or at all events easy, to obtain a precise measure of our economic strength, and, therefore, of our power to maintain the exchanges in our favor, without imposing unduly high money rates. . . . . During those years of reconstruction the international credit system, it would seem to be to the interests of all concerned that, if possible, there should be a return to gold as a basis for settling international indebtedness, because experience has shown that along that line lies the best chance of stability in world prices.

". . . . . If, however, amidst the still chaotic conditions of world exchanges and trade balances this method of settling international debts on a gold basis is to be resumed at anything like an early date, it is clear that the central banks of the various countries will have to co-operate in every way possible, so that by economy in the use of gold the minimum amount of disturbance may be occasioned in the various money markets, and, therefore, in international trade as a whole."

In summing up his views on the gold question before the shareholders of the Midland Bank, Ltd., the Right Honorable Reginald McKenna, chairman of the bank, and one of the world's leading authorities on the subject, stressed the effectiveness of "managing" a currency in the way that sterling has been "managed" during the past few years. But the gold standard, it is shown, has great and striking advantages over a managed currency, and these are set down in detail. One of the main advantages is the control over gold movements which the Bank of England has in raising or lowering the ratio between reserves and liabilities. With regard to the psychological or moral value of the gold standard, Mr. McKenna said:

"But in the present state of knowledge and feeling one of the greatest advantages of the gold standard is its moral effect. A nation will think better of itself as more honest, if its currency is convertible into gold. The fear of being forced off the gold standard acts as a salutary check on the extravagance of governments who might be willing to face a mere fluctuation in exchange, but would not dare to suspend specie payment. It is a real advantage to a nation to have currency based upon a value which is universally recognized; it inspires confidence and facilitates international transactions. Even if the gold standard were not preferable for other reasons its universality would be decisive in its favor. . . . . So long as nine people out of every ten in every country think the gold standard the best, it is the best. If in the future there were an immense increase or decrease in the output of gold and consequently a startling rise or fall in prices, reconsideration of the subject might be forced upon public attention, but at present there is no single nation, so far as I know, which is now off the gold standard, that does not regard the return to it as the most desirable of all financial measures."

## Iron Ore Traffic With Germany Now Increasing

From Our Own Correspondent.

SYDNEY.—Cape Breton branches of the G.W.V.A. propose to ask Ottawa to place a tariff of 53 cents a ton on all grades of soft coal. Several additional steamers will be chartered this summer to handle the iron ore traffic between Wabana and Rotterdam and German ports. Sydney offices refuse to affirm a report that Besco has received an extensive rail order from the C.P.R.

## FUR PRICES STRONGER

Official price changes at the recent New York fur auction as compared with the fall sale, indicated timber wolf was unchanged, wolverine declined 10 per cent., badger advanced 40 per cent., mole unchanged, southern rats advanced, northern rats, best sections and Alaska and north Canadian advanced 10 per cent., other sections unchanged, black rats advanced 15 per cent.

# CANADA FIRST IN PER HEAD EXPORT OF AUTOMOBILES

## Despite Decline Last Year Premier Position is Still Maintained

Notwithstanding the marked decrease in the exports of automobiles from Canada last year in comparison with 1923, due to the establishing of American plants in certain British territory, Canada still leads the world in exports of these products, per capita. Last calendar year the United States exported motor cars and accessories to the extent of $221,000,000, while Canada's exports amounted to $31,000,000. For the two countries combined, the record was exceeded only once, during 1920, when values were highly inflated. The total value of automotive exports that year was $300,000,000.

The largest market in the world for passenger cars both from Canada and from the United States, is Australia. The largest markets for United States cars after Australia are Argentina, Canada, Mexico and Cuba. The largest Canadian customers after Australia, in order, are New Zealand, Great Britain, British India, and British South Africa. Turning to motor trucks, Japan is the leading market for the United States products, having taken 3,053 in 1924, while Australia is Canada's largest market, her purchases last year being 5,837 cars. Canada's best markets for motor cycles are British South Africa, Australia, the United Kingdom, Argentina and New Zealand, while the leading markets of the United States for these products are Australia, Netherlands, Japan, Italy, etc.

That the world market for automobiles is constantly expanding is shown by the fact that although Canada's exports fell off last year for the reason stated, exports from the United States increased by 25 per cent. According to the Bureau of Commerce, the extent of the year's increase in export trade is expressed in the ratio between exports and production. On the basis of the exports from the two countries, compared with total production, the ratio during 1924 was 6.5 per cent., as compared with 5.5 per cent. for 1923. The following table shows the relation between exports and output from the two countries during the past two years:

| | 1923<br>Pass. Cars | All Cars | 1924<br>Pass. Cars | All Cars |
|---|---|---|---|---|
| Exports— | | | | |
| U. S. | 127,035 | 151,894 | 151,879 | 178,730 |
| Can. | 57,481 | 69,920 | 43,383 | 56,655 |
| Total | 184,516 | 221,814 | 195,262 | 235,385 |
| U.S. & Can. Production, | | 4,013,660 | ....... | 3,687,078 |
| % exp. to produc'n. | | 5.5 | ....... | 6.5 |
| Amer. cars & trucks assembled abroad, No. | | 106,110 | ....... | 142,348 |

## Merchandise Shipments Expand Car Loadings

An increase of 1,259 cars of merchandise in comparison with the corresponding week last year is the only feature of importance disclosed by the statement of freight car loadings in Canada for the week ending February 14. Grain loadings naturally were lighter. The fact that coal loadings were materially larger is explained by the fact that the Nova Scotia mines were not operating at this time last year. An increase took place in the shipment of forest products, but miscellaneous freight fell off by 1,156 cars. All told, the figure for the week in question was 53,836 as against 53,015 for the previous week and 53,040 for the same week last year. The rise which began late in December still continues.

## Rebates on Sales Tax Run Into Millions

OTTAWA.—There were 4,486 claims for rebates of sales tax under the 1924 legislation. The number of claims paid to date is 1,907, representing $3,991,159.92. The number of claims outstanding is 2,563, representing $4,300,000.

The claims paid by provinces are:

| | |
|---|---|
| Nova Scotia ............ | $ 52,637.77 |
| Prince Edward Island .... | 2,321.47 |
| New Brunswick .......... | 41,644.07 |
| Quebec ................. | 1,626,566.79 |
| Ontario ................ | 2,126,604.72 |
| Manitoba ............... | 48,870.06 |
| Saskatchewan ........... | 5,211.33 |
| Alberta ................ | 18,507.63 |
| British Columbia ........ | 68,795.88 |

## Canadian Conditions

| | | | |
|---|---|---|---|
| **Car Loadings—** | | | |
| | 1925 | 1924 | |
| Week Feb. 14 | 53,836 | 53,040 | + 1.5% |
| | 1925 | 1924 | |
| Yr. to date | 352,052 | 339,889 | + 3.5% |
| **Grain Receipts—** | | | |
| Aug. 1 to Feb. 13 | 189,756,232 | 307,350,577 | —38.3% |
| **Building—** | | | |
| | 1925 | 1924 | |
| January .. .. | $4,236,154 | $4,087,102 | + 3.6% |
| | 1924 | 1923 | |
| 12 months .. | 112,978.719 | 120,174,563 | — 5.9% |
| **Bank Clearings—January—** | | | |
| | 1925 | 1924 | |
| | $1,405,460,821 | $1,385.063,488 | + 1.4% |
| **Savings Deposits—Chart. Banks—** | | | |
| | 1924 | 1923 | |
| Decem. | $1,237,611,267 | $1,180,037,130 | + 4.8% |
| **Current Loans—By Banks—** | | | |
| | 1924 | 1923 | |
| December | $938,711,730 | $1,011,612,518 | — 7.2% |
| **Net Dominion Debt—Jan. 31—** | | | |
| | 1925 | 1924 | |
| | $2,415,471,564 | $2,411,388,604 | + .18% |
| **Railway Earnings—** | | | |
| December— | | | |
| | 1924 | 1923 | |
| C.P.R. . . . . | $15,690,171 | $19,136,674 | —18.0% |
| Oper. ex. . . .. | 11,960.870 | 15,180,546 | —21.3% |
| Net . . . .... | 3,729,301 | 3,956,127 | — 5.7% |
| **12 Months—** | | | |
| | 1924 | 1923 | |
| C.P.R. .. .. | $182,502,166 | $195,837,089 | — 6.7% |
| Oper. ex. .. | 145,274,914 | 158,358,079 | — 8.3% |
| Net . ... .. | 37,227,241 | 37,479,010 | — 0.6% |
| **12 Months—** | | | |
| C.N.R. . . . | $235,588,182 | 253,135,487 | — 6.9% |
| Oper. ex. .. | 218,343,931 | 232,704,838 | — 6.1% |
| Net . .. .. | 17,244,251 | 20,430,649 | —15.6% |
| **Balance of Trade—** | | | |
| 12 months, Dec. 31— | | | |
| | 1924 | 1923 | |
| Exp. . . . | $1,058,057,898 | 1.014,944,274 | + 4.2% |
| Imp. . . . | 808,195,573 | 903,030,515 | —10.5% |
| Bal. . . . | 249,862,325 | 111,910,759 | +123.3% |

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This Company's reputation for saving time and money for its clients is not based on isolated instances, but is the result of doing it all the time. It is the consistency of our performances that is responsible for the consistency of our progress.

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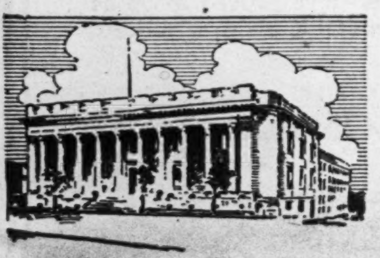

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# CANADA'S TRADE FOR YEAR TO TOP $1,850,000,000

## Credit Balance Will Reach Quarter of Billion Dollars

From Our Own Correspondent

MONTREAL.—By the time the end of March is reached, Canada's total trade for the fiscal year will have reached an amount of about $1,850,000,000, which will be a reduction of about $100,000,000 in the fiscal year from the total for the twelve months to March 31, 1923. The credit balance of trade will be about $250,000,000, or more, which will be an increase of about $100,000,000. In other words, Canada's exports will have remained practically stationary, while imports will have shown a decline of around $100,000,000.

As first glance, this seems to offer much comfort, and, indeed, it is to be regarded as more satisfactory than a reversal of the figures could have been regarded. But as a large part of Canada's import trade is in raw materials, a reduction in such imports reflects a slowing up of business throughout Canada. An increase in export trade is always welcomed because of the facility it gives to Canada to meet its heavy interest payments abroad and because it indicates smaller foreign borrowings. From the standpoint of Canadian industry it is always more valuable to see the percentage of export trade that is in manufactured products, information that is not available until many months after the close of the fiscal year.

Some manufacturing industries have had notable progress that has been well in export trade, progress that has been satisfactorily maintained of late. Such are the pulp and paper industry, lumbering, motor car and automobile tire manufacture and milling. There has also been a healthy trade in refined minerals. The increased export trade in such industries, representing as it does an enlargement in wealth and a broad distribution of wealth in wages, equipment and raw material buying, and profits to Canadian investors, is a very satisfying feature of Canada's business life. Such exports are regarded with greater interest by students of economics than the mere totals that indicate Canadians to be international traders on a large scale In the very nature of Canada's life, she must be a large international trader. Many of the basic necessities of our daily life must be imported, such as cotton, rubber, and—under present conditions—steel and coal. On the other hand, Canada produces on a scale much beyond our consumption such commodities as wheat, wood products, animal products, etc. Canada has been forced to become a greater trading nation because she is not self-contained as to resources, not having large home markets to absorb home production, and not producing many of the commodities required.

### Our Comparative Trade Figures

Following are the exports, imports, trade balance and total trade figures for the month of January, 1925, in comparison with those of the corresponding month of the two preceding years, and the same comparison for the ten months of the fiscal year ending with January:

| | 1925 | 1924 | 1923 |
|---|---|---|---|
| **Month of January** | | | |
| Exp. | $ 75,347,012 | $ 69,575,167 | $ 64,658,942 |
| Imp. | 58,375,502 | 66,568,060 | 68,085,845 |
| Bal. | +16,971,510 | +3,107,107 | —3,426,903 |
| Tot. | 133,722,514 | 136,143,227 | 132,744,787 |
| **Ten months ending January:** | | | |
| Exp. | $904,125,426 | $885,646,739 | $797,237,683 |
| Imp. | 650,894,554 | 744,279,406 | 645,345,920 |
| Bal. | †253,230,772 | †141,367,333 | †151,891,763 |
| Tot. | 1,555,019,980 | 1,629,926,145 | 1,442,583,603 |

†Excess of exports.
—Excess of imports.

# MACHINE ORDERS LOST BY TARIFF

## Mining and Lumbering Plants Now Brought in From United States

From Our Own Correspondent

VANCOUVER. — It was revealed at the annual meeting of the Metal Trades Employers' section of the Canadian Manufacturers Association here that the manufacture of several lines of equipment had had to be discontinued during the past year, because of the lowering of the tariff, which afforded greater facility for American-made machinery to come into Canada. Eric Davies, retiring president, said the problem of the year had been the sweeping reductions in the tariff on mining, saw-milling and logging equipment. Accurate data on the effect of lowering the tariff had been presented to the government, but without avail. To-day they face the situation of being forced to discontinue the construction of certain lines of equipment for which their plants were quite suited, simply because American products of a similar kind were able to come in under less restriction.

The metal trades had not allowed the matter to drop, but had taken it up with several of the ministers during the year. They were pressing for restoration of the tariff in the interest of the business that was being lost because of the lowering of duties.

### SOLD 4,000 FOXES

The silver black fox industry, though carried on in every province in Canada, is more intensively developed in the Maritime Provinces. During the past fiscal year approximately 4,000 live foxes were shipped out of the province of Prince Edward Island. Of these 3,000 were exported, many going to the United States, where the industry is developing at a rapid rate.

# How Sales Tax Discriminates

### Example No. 5

In cutting stone for a structure if the contractor employs stone cutters to cut and dress the stone on the site where the structure is being erected there is no sales tax on the cost of labor in cutting and dressing the stone, but only on the value of the rough stone as it leaves the quarry. In other words, sales tax does not apply on the value of the dressed stone in its finished form as put into the structure.

But if such a contractor has a factory in which he cuts and dresses the stone for the structure, sales tax is payable on the value of the finished cut stone in condition as it leaves the factory to be put into the structure.

Thus capital invested in such factories in Canada is discriminated against.

Dealers in monuments and memorials of stone are classed as retailers and only pay sales tax on the cost of their materials.

Memorial windows and tablets are memorials equally as much as stone monuments are memorials, and yet the law requires the dealer in memorial windows and tablets—except when erected in memory of soldiers—to pay sales tax on the sale price of the memorial window or tablet.

# PANAMA CANAL CUTTING INTO THE RAILROAD PROFIT

## Canada as Well as States Interested in This Problem

NEW YORK.—In view of the development of the Panama route for the shipment of Western Canadian grain and the movement also of bulk freight from Eastern markets to Vancouver by the same route, the experience of American railroads which have suffered severely from canal competition should be of interest in Canada. This is particularly the case when it is considered that railway earnings in Canada not only affect the investors in railroad securities, but also the taxpayers of the country who are now actually the owners of the National system.

One uneven development in transportation progress is the disadvantageous situation of the western transcontinental lines—especially the northwestern, because of water competition. This comes about because the rulings of the Interstate Commerce Commission have taken about 10,000,000 tons of freight annually away from the transcontinental carriers in the last two years, to the benefit of steamboats using the Panama Canal, and has made it impossible for the railroads to compete with waterways for this traffic, says the Bache Review.

In a discerning article on this subject, Mr. Glenn Griswold, editor of the Chicago Journal of Commerce, outlines the situation. He points out that this waterway competition is most pronounced on westbound traffic—the traffic the railroads need most. An amazing number of cars and trains must be hauled empty to the Pacific Coast in order to bring the produce of the coast to the East.

"From Civil War times down to 1918, the railroads were permitted to establish long and short-haul rates (which in transcontinental traffic means a lower rate of traffic to the coast than prevailed to some intermediate points) in order to meet water competition and to provide loads for westbound cars. When the war drew ships out of the Panama Canal trade, the Interstate Commerce Commission suspended all long and short-haul rates to the coast, and since that time has never given the railroads any relief under section 4 of the Transportation Act. In the meantime, Panama Canal traffic has increased from 10,500,000 tons in 1921 to 25,000,000 tons in 1923, but 15 per cent. of the 10,500,000 tons of freight moved through the canal in 1921 was domestic freight from coast to coast. Last year 52 per cent. of the 25,000,000 tons was domestic freight, all of which was taken away from the railroads."

### Western Railway Problems

The transcontinental railroads, Mr. Griswold makes it understood, do not ask to be allowed to make rates on all traffic (east and west) sufficiently low to enable them to compete with the waterways.

What they do ask is permission to make such rates on westbound business only in order to fill their empty westbound cars. These empty cars rolling over thousands of miles of track, day after day, produce a situation threatening to solvency in the transportation group affected.

The Gooding bill, recently introduced, aims to forbid the Interstate Commerce Commission from allowing this privilege to the railroads. The commission declares adoption of the Gooding bill would be highly injurious to business and to the free movement of commerce. Virtually it would take the rate-making power out of the hands of the commission and give it to Congress—a dangerous precedent.

The Railway Age says that the real solution is to pass legislation putting the rates of the water carriers through the Panama Canal under the same regulation and control of the Interstate Commerce Commission to which railway rates are now subject. It says:

"Never since their return to private operation have the western railways earned anywhere near a fair return. They could increase the net return earned by them if rates were so regulated that they could get more transcontinental freight business. If they are not to be allowed to get added net return in this way they ought to be allowed to make a general advance of all of their rates except those to the Pacific Coast. They are entitled to earn a fair return and sooner or later must be allowed to earn it even if this involved an advance in all rates that are not directly affected by water competition."

In this connection, reduction in interest rates on debts to the government is said to be favored by Secretary Mellon. A reduction might be of vital interest in the case of several railroads.

### MARITIME RIGHTS

St. Catharines Standard: Central and Western Canada cannot afford to look with equanimity or indifference on the demands of the Maritime Provinces for development of the two great ocean going ports, St. John and Halifax. It is not a sectional appeal which is being made but one in which the future of Confederation is involved. When the Intercolonial was built, the great cry was that it would tend to cement the provinces of Confederation together, and open up an all Canadian outlet to the sea. In these days of ever-increasing competition from the United States it is difficult to disregard the original necessity for the Intercolonial Railway, now a part of the Canadian National.

A greater spirit of nationalism is required in Canada if the component parts are to be satisfied and built up. A national policy in spirit, act and faith, is what the country needs in the present hour. The Maritime rights question cannot be ignored or sidetracked.

**The Merchants Bank of Prince Edward Island**

A Chapter in the Story of a Canadian Banking Family

*Head Office of the Merchants Bank of Prince Edward Island, Charlottetown occupied by The Canadian Bank of Commerce 1906-1911*

IN 1871, when the Merchants Bank of Prince Edward Island received its charter, two other banks were already operating on the Island. They had been established to meet the growing requirements of trade and to provide a sound note issue, for the country was overrun with the irredeemable paper money issued by the Treasury of the Island and by the other Provinces.

At the beginning of the '70's a world-wide era of prosperity was in progress. International trade was being stimulated by the Franco-Prussian War, railways were being built at a rapid rate all over America, and immigration was on the increase. The Island shared to the full in the prosperity of the day, and when a group of prominent Charlottetown merchants and importers applied for a charter for a new bank to be known as the "Merchants Bank of Prince Edward Island" it was granted without question.

For 35 years the Bank shared in the varying fortunes of the Island, emerging successfully from two serious crises and remaining at the end of 1883 the only local bank on the Island. In 1896 it began once more to enjoy its old prosperity, but times were changing and it was becoming increasingly difficult to conduct efficiently a banking business limited in area and extent by local conditions. In 1906, therefore, on its own proposal, the Merchants Bank of Prince Edward Island was amalgamated with The Canadian Bank of Commerce, and its business taken over at the various points on the Island where branches had been established.

*One of a series of advertisements describing the banks now incorporated with The Canadian Bank of Commerce.*

**THE CANADIAN BANK OF COMMERCE**

A14

**WESTERN HOMES LIMITED**
Mortgage Investments
Head Office - Winnipeg

| | |
|---|---|
| Capital Authorized | $5,000,000.00 |
| Capital Subscribed | 2,200,000.00 |
| Capital Paid Up | 800,000.00 |
| Investments | 873,571.57 |

Record for 1924

| | |
|---|---|
| Added to paid up Capital | $107,004.36 |
| Added to Investments | 93,286.17 |
| Added to Deferred Profits and Surplus | 7,004.01 |
| Collected on Mortgage Accounts | 170,577.76 |
| Premiums in Course of Collection (not taken into the balance sheet) | 170,654.11 |
| Net Profits for the Year, plus undivided profits, total | 84,957.31 |

This amount has been appropriated as follows:

| | |
|---|---|
| Dividends at 7% per annum, plus Federal Income Tax chargeable to profits | $53,345.89 |
| Surplus | 31,611.42 |
| | $84,957.31 |

Record for past Five Years - 1920-1924

| | |
|---|---|
| Added to subscribed Capital | $1,246,800.00 |
| Added to paid up Capital | 595,070.46 |
| Added to Investments | 650,786.92 |
| Added to Surplus and Deferred Profits | 55,716.46 |
| Added to Premiums in course of Collection | 112,874.11 |

**For ten years the Company has regularly paid semi-annual dividends at the rate of 7% per annum.**

Properly selected mortgages on moderately priced homes and improved farms are counted among the safest of all securities. This is the class of security protecting Western Homes' investments. The Company has shown sound and steady progress each year. Having laid a substantial foundation, it is now in a position to progress rapidly, and through its ever widening connections will profit by the improved conditions now evident throughout Canada.

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# *The Securities Markets*

## MARKET MOVING IN NARROW CHANNEL; PRICES ARE CLOSE

### Little Change Recorded During Past Week — Trading Quite Irregular

**MARKET INDICATOR**
(20 Industrial Stocks)

| Week Feb. 25 High | Low | Week Feb. 18 High | Low | Feb., 1924 High | Low |
|---|---|---|---|---|---|
| 75.3 | 73.7 | 75.4 | 73.2 | 71.6 | 66.9 |

The Canadian markets seem to have been uneasy during the past week. Trading, while well scattered, has not been in any great volume, while, with a few notable exceptions, prices have fluctuated in a narrow range, mostly fractional. It is interesting to note that what little strength was apparent in the market appeared in shares of concerns engaged in handling foodstuffs. These made some notable advances. Milling shares were not in the favored lot, however, as not one milling issue bettered its position in the week.

Brokers have no good explanation to advance for the apparent narrowness of trading. They do not think it is a reflection of the recent New York break. That is over with, and the advance in part has been resumed. However, there are some irregular features to the present New York market that were not apparent before the break. The following is taken from one broker's letter:

> If the sharp break and subsequent recovery of a week ago temporarily strengthened the technical position of the market — the subsequent recovery probably weakened it correspondingly, leaving it in much the same position. We still feel that the prices of stocks have outrun business. Stock prices are still close to the peak; earnings in most cases are mediocre. The latter could gain decidedly and still be behind prices; indeed in many cases should do so in order to justify the present level.
>
> Until business profits catch up with stock prices, or until the latter are selling more on an equality with demonstrated earning power, we believe it will be well to pursue a very conservative course in making market commitments.

The above arguments are quite adaptable to the present market. They are based on the past experience of one of the oldest United States houses. Yet the market goes merrily on. There never has been an occasion on which the absorptive power of the market has been so underestimated as has been the case in the present movement. Easy money has been the major factor in this and in maintaining security prices. It may be that it will go on until money rates become higher. There are no immediate prospects of such. Until cost of money robs the speculation of its profits, it is doubtful if even a moderate advance in money rates would bring about an unloading greater than could be cared for by ordinary investment demand, is the way one market authority sees it.

The narrow fluctuations of the Canadian list during the week is shown by the fact that the advance scored by the 27 stocks that did advance totalled only 50 points, and of these, 28 points were recorded in six issues, leaving 22 for the other 21. In the loss column the 25 stocks that fell back, dropped 29 points and two of them provided 8 points of the total. Of the heavy advances, 16 of the 22 points were made by commodity issues. More than half the total issues were absolutely inactive. Milling utilities and textiles were very much neglected groups, especially the former. Fractional advances fell to the lot of some of the leading steels and the same with the banks, while the industrial is the only group that could be said to have held its share of the trading when compared with previous weeks.

The following table shows the trend of trading:

| | | | | |
|---|---|---|---|---|
| Banks .. .. .. | 5 | 2 | 3 | 10 |
| Paper .. .. .. | 2 | 2 | 7 | 12 |
| Steel .. .. .. | 5 | 4 | 5 | 14 |
| Milling .. .. .. | 0 | 1 | 10 | 11 |
| Utilities .. ... | 1 | 2 | 12 | 15 |
| Transportation | 3 | 2 | 8 | 13 |
| Textiles .. ... | 0 | 4 | 10 | 14 |
| Industrial . .. | 10 | 8 | 10 | 28 |
| | 27 | 25 | 65 | 117 |

STERLING APPRAISAL COMPANY
CERTIFIED REPORTS

## SEVERAL NEW STOCKS FOR MONTREAL BOARD

### Listing Expected Soon of Belgo, Patin, National Brick and Others

From Our Own Correspondent

MONTREAL.—Various new securities will be added to the list of the Montreal Stock Exchange. Listed papers are being prepared now in the case of fourteen securities of ten different companies, which will likely be called for trading in the next few weeks.

The securities comprise those formerly dealt in on the unlisted section of the exchange. Some time ago the exchange notified the companies concerned that steps would have to be taken to list these securities, or they would be stricken from the unlisted section of the exchange, and firms to the total mentioned have agreed to apply for listing.

Firms whose securities are only on the unlisted section cannot be forced to comply with such exchange regulations as those requiring publication of annual reports, announcement of dividend payments, etc., and it is, therefore, in the interest of investors and exchange firms that listing should be required when the firms have found in the facilities of the exchange a market place for their shares.

The companies and securities referred to are as follows:

Belgo Canadian Paper Co.—Common.
Belgo Canadian Paper Co.—Preferred.
Cooksville Shale Brick Co.—Common.
Cooksville Shale Brick Co.—Preferred.
East Kootenay Power Co.—Common.
Eastern Engineering Co.—Common.
Laurentide Power—Common.
National Brick Co.—Common.
National Brick Co.—7 per cent. pfd.
Ottawa & Hull Power Co.—Common.
Paton Manufacturing Co.—Common.
Paton Mfg. Co.—Preferred.
St. Lawrence Paper Mills—Common.
St. Maurice Power Co.—Common.

In addition favorable word is expected from the British directors of British Controlled Oilfields.

## Toronto Interests Seeking Seat on Canners' Board

The Toronto group that has shown an interest in Dominion Canners and which has been a heavy buyer of shares on the open market is expected to show its hand at the coming annual meeting next month in Hamilton. Avern Pardoe, representative of the new interest, states that they are in accord with the present management and there is no intention to move for any change. This, then, would indicate that their request for proxies within their own group is for no other purpose than lending weight to a request that they will likely make that they should be represented on the incoming board. The common shares held quite firm around 93 while the preferred is stationary at one-quarter over par.

## Improved Position Shown by Regent Knitting Mills

From Our Own Correspondent

MONTREAL.—The Regent Knitting Mills annual statement for the period ending December 31, 1924, shows a net profit, after deducting bond interest, depreciation and all charges, of over $100,000. During the period of operations covered in the report, the liquid position has been greatly strengthened, for the working capital has increased from $96,000 to $373,000.

During the year the total sales fell off one per cent.—a good record when it is considered that during the year there has been a scarcity of wool, which has been reflected by a rise in the cost of the raw materials. In 1923, $80,000 was set aside for depreciation, whilst for the past year, $75,000 was set aside.

The company operate factories in Montreal and St. Jerome and manufacture sweaters from wool counter yarns and sweaters from wool and silk and wool.

### MONARCH KNITTING

Some slight disappointment has been shown over the showing made of Monarch Knitting for the past year. During the week a small block of shares was sold at a decline of 5 points. This price of 70 compared with the year's high of 80 on Feb. 1, means a drop of 10 points in the month. Less than 150 shares in all have been traded in since the first of the year, however.

# *Pulp and Paper*

## PAPER-POWER DEAL AT FORT WILLIAM MAKING PROGRESS

### Ultimate Intention to Bring "Kam" Power Into Paper Merger

From Our Own Correspondent.

MONTREAL.—Indicative of the fact that serious negotiations are progressing for the merger of Spanish River Pulp and Paper Mills and Abitibi Power and Paper Company are the present conferences between two other and entirely different companies—the Kaministiquia Power Company and Fort William Paper Company. The Fort William Paper Company has made proposals to the Kam. Company, and a basis of purchase is likely to be arrived at shortly. When the larger paper merger is then arranged, the Fort William Paper Company would go into it and would take with it the Kam Power Company, with a large producing capacity at the present time and an extensive distribution system in the city of Fort William, together with possible water power sites now under negotiation. This seems to be the end in view in the present transaction.

It might be pointed out that Fort William Paper Company is controlled by the interests in command of Spanish River, and that the Kaministiquia Power Company shareholders also have a substantial interest in the company through their having assisted in its financing when it was organized a few years ago.

It would be logical for Fort William Company to go into the Spanish-Abitibi merger, as it is backed by strong timber reserves that would make expansion of its output comparatively easy.

**Holt Ready to Withdraw?**

The negotiations for the purchase of the Kaministiquia Power Company are likely to be assisted by the fact that Sir Herbert S. Holt, the president and one of the largest stockholders, has of late years been concentrating his Canadian investments in Quebec province. Relations between the company and the Ontario government have not been smooth, and the company has been hampered in many ways in its operations and expansion. It is felt that if the company were to get into the hands of new interests, more intimately in touch with government circles in Toronto, that the company would have less difficulty in getting much needed concessions in new power sites, water control, etc. At the present time Kam Power has an application before the Ontario government for a new power site that would add about 25,000 h.p. to its resources, doubling the present capacity.

## IS EXPORT PULP LAND BEING CONSERVED?

### Pulp and Paper Association and Pulpwood Dealers Hold Different Views on This

Strong objection is taken by Ralph P. Bell, timberlands and pulpwood operator of Nova Scotia, and acting manager of the Canadian Pulpwood Association, to an argument now being advanced for the restrictions on pulpwood export and which was referred to in THE FINANCIAL POST last week. This statement was as follows:

"It has been found that the United States mills owning timberlands in Canada have failed to participate generously in efforts of conservation and forest protection in Canada. They have hurried to get the wood out. They have cut Canadian trees and saved their American limits. The embargo or export tax would force such mills to cut on their own limits in the United States while putting the Canadian limits in the hands of Canadians who would take an interest in conserving them."

Mr. Bell states that while he cannot speak from personal knowledge of the holdings of all United States companies owning forest lands in the Dominion, he considers them to be efficiently managed and well protected. He supplements his remarks by reference to the S. D. Warren Company in Nova Scotia, the Pejepscot Paper Company in New Brunswick, and the Oxford Paper Company, in Cape Breton, which he indicates are well looked after.

It is interesting in this connection to recall that when the Canadian Pulp and Paper Association made its presentation on the embargo question to the Royal Commission on Pulpwood, that this was one of the points on which they expressed themselves most strongly. Their brief stated:

"A method of conservation which has been adopted by all the pulpwood-owning provinces, and which has been generally approved by everybody interested in the permanence of the Canadian forest industries, is that of prohibiting the exportation from Canada of pulpwood in an unmanufactured state when derived from crown lands. So far as it has been effective (and its operations have naturally been limited by the fact that timber from lands in private ownership has remained free to leave the country in the log, while in one province even crown timber has been exported after the merely preliminary process of barking), it has tended to diminish one type of consumption of our forests, namely that caused by the American pulpmills which are nearing the end of their domestic supplies and have sought wood across the border. It has already been suggested that this tends to be a more extravagant and destructive kind of consumption than that which is performed by limit-holders who have erected pulp and paper mills in strategic relation to their limits, and have hence a distinct interest in the permanence of the supply. In support of this view it may be mentioned that practically none of the great American pulp concerns which import raw pulpwood from Canada have participated in any of the concerted efforts towards conservation which have been carried on by the owners who have mills in Canada; and also that all of these American concerns possess large timber limits in the United States, which they are conserving by cutting as little as possible while they fill their requirements by importing wood from Canada. Their attitude towards Canada is, naturally and necessarily, that of getting what they can while the getting is good; a tree saved in the United States, where they can always get at it, is easily worth two trees chopped down in Canada, between which and their mills there may at any time arise the barrier of an export or an import duty, an embargo, or a sharp increase in the cost of transportation.

"The license clause prohibiting the export of unmanufactured wood does not, as already mentioned, prevent the export of unmanufactured wood from privately-owned lands, and the demand for such wood has in the last few years become extremely urgent. The enormous extent of this trade is shown by the fact that out of less than six million cords of wood used annually by the paper manufacturers of the United States, over a million cords have been drawn from Canada yearly for the past fifteen years, and in spite of the limited sources from which exportable wood can now be procured the amount is increasing rapidly. The rate of export for the half-year just ended has approximated one and one-half million cords annually, and is likely to be maintained throughout the year. This is much more than a quarter of the total net cut in the Dominion. In other words, while we are depleting our forests at a rate which threatens to produce a famine within a lifetime, we are doing so largely in order to provide another nation with the wherewithal to save it from further depleting its own."

## HOWARD SMITH'S GOOD REPORT WAS BRIGHT SURPRISE

### Earned Nearly Five Per Cent. on Common Shares

From Our Own Correspondent

MONTREAL.—The forecast of a few weeks ago that the annual report of Howard Smith Paper Mills would be a much brighter document than expected from the restricted business conditions of 1924 is borne out by the statement which went to shareholders this week. Earnings on the common shares amounted to 4.8 per cent. It is difficult to compare this with earnings in previous years, as the entire profit and loss surplus of the previous year had been diverted to reserves and it was a matter of opinion as to how to figure these in determining the earnings available for common shares. This year's report has about it a definiteness that differs from the more obscure accounting in previous reports and this feature will be appreciated by investors who have been somewhat at sea as a result of the company's changing methods of report and continuous process of expansion that made comparison of reports from year to year very difficult.

The tonnage of products sold was higher during the year but, owing to lower prices, the volume of sales, measured in dollars, was lower. Profits showed some decline but were well over preferred dividend requirements and in view of the tendency toward improved business conditions this surplus of earnings is likely to be taken as a very favorable indication for the preferred stock, on which the dividend has, of late, been in considerable doubt.

Operating profit for the year was $717,927, as compared with $767,377. Sundry revenue brought total income to $727,576. From this the following charges were deducted: Bond interest, $269,984; general interest, $59,547; depreciation, $100,000; preferred dividends, $120,000; and common dividends, $92,342, leaving a surplus of $85,701 at credit of profit and loss.

The profit and loss figures of the past three years compare as follows:

| | 1924 | 1923 | 1922 |
|---|---|---|---|
| Op. profit ......... | $717,927 | $767,377 | $611,793 |
| Sund. rev. ...... | 9,648 | 5,429 | 2,169 |
| Total inc. ...... | $727,576 | $772,807 | $693,540 |
| Bond int. ........ | 269,984 | 220,466 | 197,941 |
| Balance ... ...... | $457,591 | $552,341 | $495,599 |
| Gen. int. ........ | 59,547 | 49,494 | ........ |
| Balance ... .... | $398,043 | $502,847 | $495,599 |
| Deprec. ... ...... | 100,000 | 60,287 | 95,491 |
| Balance ... ...... | $298,043 | $442,560 | $400,108 |
| Pfd. divs. ... ... | 120,000 | 120,000 | 120,000 |
| Balance ... ...... | $178,043 | $322,560 | $280,108 |
| Com. divs. ....... | 92,342 | 221,622 | 220,720 |
| Surplus ... ...... | $ 85,701 | $100,938 | $ 59,387 |
| Prev. bal. ....... | ...... | 16,065 | 71,699 |
| Total ...... .... | $ 85,701 | $117,003 | $131,086 |
| To reserves ..... | ...... | 117,003 | 115,020 |
| P. & L. balance.. | $ 85,701 | ...... | $ 16,065 |
| P.C. on com. .... | 4.8 | 8.7 | 7.5 |

The percentage on common is arrived at by treating reserves in 1923 and 1922 as adjustments of capital, rather than charges on earnings.

The balance sheet shows total assets at $11,861,252, as compared with $11,143,680. The financing carried out during 1924 naturally resulted in some notable changes. Bonds outstanding are $4,481,000, as against $3,229,500. This increase is found reflected in the property account, which is shown at $9,492,533 as compared with $8,946,292; in the elimination of the special loan for construction and payment on limits, shown at $450,000 in the 1923 statement; a small reduction in the bank loan, which now stands at $450,000; and a substantial reduction in accounts payable. The company's holding of cash at $150,857, is also a distinct improvement; while accounts payable are down sharply. Inventories are lower at $1,456,007.

These changes have resulted in an improvement of nearly half a million dollars in working capital, which is now $1,226,041.

The working capital position as shown in the last three annual reports compares as follows:

| | 1924 | 1923 | 1922 |
|---|---|---|---|
| Curr. assets | $3,127,719 | $1,956,388 | $1,990,728 |
| Curr. liabs. | 901,678 | 1,171,307 | 1,089,268 |
| Work. cap. | 1,226,041 | 785,081 | 901,460 |

At the annual meeting of the shareholders of the Ottawa Light, Heat and Power Co. the following directors were elected: T. Ahearn, Frederic E. Bronson, Thos. Workman, Geo. F. Henderson, K.C.; W. G. Pitfield, Abner Kingman, H. H. Horsey, W. Lyle Reid, T. F. Ahearn, A. A. Dion.

*Why*
*Natural Gas Bonds*
*are a Good Investment*

The strength of a Company distributing from a proven field is very evident when you consider the following facts:

1. No other fuel can compete with natural gas for economy.
2. It is an essential of life in communities which are fortunate enough to have an adequate supply. Good times or bad, people use gas to heat and to cook.
3. It is not dependent upon the welfare of any one business. It is used by all classes, by stores, bakeries and factories.
4. The business is free from credit losses.
5. There is no destructive competition.
6. Invariably the business is protected by civic authorities and rates are upon a basis which allows a fair and steady profit over and above fixed charges for bonds and sinking fund requirements.

This house has for many years specialized in underwriting public utility issues. After an exhaustive examination of the natural gas industry in Canada we find it to be similar in many respects to other public utility operations. As a field for investment the First Mortgage Bonds of natural gas companies have proved to be as safe and as profitable as other utilities.

NESBITT, THOMSON & COMPANY
LIMITED
305-7 Bank of Hamilton Building, Toronto
MONTREAL HAMILTON LONDON, Ont. WINNIPEG

201

## Ottawa Light Heat and Power Company, Limited

**THE ANNUAL REPORT FOR THE YEAR ENDING DECEMBER 31, 1924 SHOWS**

| | | |
|---|---|---|
| The Gross Revenues from all sources aggregate .............. | | $1,720,841.21 |
| The Gross Expenditure, being cost of Management, Operation and Maintenance, (exclusive of taxes) .............. | $1,060,856.54 | |
| Federal, Provincial and Municipal Taxes (not including Dominion Income Tax, paid 1924) .............. | 104,334.61 | 1,165,191.15 |

Showing a Gross Credit Balance of $555,650.06.
To the Expense above the following charges are added:

| | |
|---|---|
| Interest on Bonds .............. | 120,852.4 |
| Interest on Current Liabilities .............. | 4,575.4 |
| Making the Gross Expenditure .............. | 1,290,618.97 |
| Leaving the Surpus of Revenue over Expenditure .............. | 430,222.24 |
| | $1,720,841.21 |
| The Gross Revenue of 1924 exceeds 1923 by .............. | 2,438.59 |
| The Gross Expenditure of 1924 is less than 1923 by .............. | 88,060.94 |
| The Net Surplus of 1924 exceeds 1923 by .............. | 90,499.53 |
| Ratio that Net Surplus bears to Capital of $5,000,000 is .............. | 8.6% |

To the Balance at Credit of Profit and Loss Account last year, $146,796.55, the Net Earnings for the year—$430,222.24—have been added, making a Credit Balance of $577,018.79. Out of this, dividends upon the Common Stock at the rate of 6% and upon the Preferred Stock at the rate of 6½% per annum were paid also $17,771.84 covering Dominion Income Tax. The sum of $109,951.14 was placed to the Credit of Reserve for Depreciation, (which now stands at $301,265.73), leaving the Balance at Credit of Profit and Loss $141,795.81.

**THE MAIN FEATURES OF THE BALANCE SHEET FOR THE PAST TWO YEARS ARE AS FOLLOWS:**

| ASSETS | 1924 | 1923 |
|---|---|---|
| Property, Plant and Equipment .............. | $ 9,123,956.93 | $ 8,855,061.35 |
| Merchandise, Stores, Supplies, etc. .............. | 153,721.32 | 261,664.60 |
| Accounts and Bills Receivable .............. | 456,335.58 | 445,543.39 |
| Investments:—Dominion of Canada Bonds and Bonds of The Ottawa Gas Company purchased in advance of sinking fund | 146,302.50 | 102,345.55 |
| Cash on hand and in Bank .............. | 19,734.26 | 95,362.07 |
| Deferred ....... .............. | 231,182.01 | 234,182.01 |
| | $10,131,732.59 | $ 9,994,128.77 |

| LIABILITIES | 1924 | 1923 |
|---|---|---|
| Capital Stock (Common) .............. | $3,500,000.00 | $ 3,500,000.00 |
| Capital Stock (Preferred) .............. | 1,500,000.00 | 1,500,000.00 |
| Bonds (Less Sinking Fund) .............. | 2,211,340.00 | 2,060,500.00 |
| Accounts Payable .............. | 171,069.12 | 199,369.38 |
| Dividend—Preferred 6½% (3 Mos.) .............. | .......... | 24,375.00 |
| Dividend—Common 6% (3 Mos.) .............. | .......... | 52,500.00 |
| Capital Reserve ...... .............. | 1,500,000.00 | 1,500,000.00 |
| General Reserve ........ .............. | 770,000.00 | 770,000.00 |
| Reserve for Depreciation .............. | 301,265.73 | 191,314.59 |
| Reserve for Bad and Doubtful Accounts .............. | 36,261.93 | 29,273.75 |
| Profit and Loss .............. | 141,795.81 | 146,796.55 |
| | $10,131,732.59 | $ 9,994,128.77 |

OTTAWA,
February 23rd, 1925.

Respectfully submitted,
T. AHEARN, President.

## B.C. Electric Gives Contract for Alouette Dam Lake

The contract for the construction of the Alouette dam, to cost $300,000, as part of the $10,000,000 hydro-electric scheme of power development by the British Columbia Electric at Stave and Alouette lakes, has been awarded to the Pacific Engineers, Ltd., it has been announced.

Preliminary construction has been started and all clearing arranged, it was stated. The dam will be used to raise the normal level of Alouette Lake so that its waters can be utilized in the tunnel which is being bored through the mountains separating it from Stave Lake, and will be constructed to a height of 62 feet. On the crest it will be approximately 1,000 feet long, it was stated.

### RAILWAY EARNINGS

**CANADIAN PACIFIC RAILWAY**

| Week end. Feb. 21 | 1925 | 1924 | Change |
|---|---|---|---|
| | $2,735,000 | $2,919,000 | —$184,000 |

**CANADIAN NATIONAL RAILWAYS**

| Week end. Feb. 14 | 1925 | 1924 | Change |
|---|---|---|---|
| | $4,228,324 | $4,405,497 | — $177,173 |
| | 24,890,143 | 27,055,322 | —2,165,179 |

## Twin City Reached New High — Buying is Heavy

Twin City, which has been under a heavier-than-usual accumulation during the past two weeks when some 6,000 shares changed hands, reached a new high 66¾, a fractional increase over the old high of the year of 66⅛ reached on Jan. 2. Since then the shares sold down to 58. The first news was on the news that the company's troubles over the fare question was nearing an end. Since then there has been a much better feeling got abroad as to the future of the company and the permanence of its dividend position, while in some quarters there was a feeling that the disbursement on the common might be increased if earnings were maintained.

### START ANOTHER FURNACE

The blowing in of another blast furnace of the Algoma Steel Corp. signalises the carrying out of the new contracts obtained by that company, as previously reported. This company has five months' work on hand and prospects of additional orders.

# F. N. BURT LIQUID POSTION SHOWN AS BEING VERY STRONG

## Company Had Increase in Business Last Year but Profits Are Down

F. N. Burt profits for 1924, $574,657 art lower than those of 1923 which totalled $594,258. The company really had an increase in business as the volume of goods shipped in 1924 showed an increase. The company has continued the development of new lines of goods with marked success and President S. J. Moore says the outlook is very promising. The annual report shows the company to be in a very strong position, current assets being over six times current liabilities. The company has no borrowings, instead has $227,000 cash on hand.

President Moore in referring to the position of the company made the point that since the reorganization 16 years ago, 61 quarterly payments of 1¾ per cent. have been made on the preferred shares involving $1,490,865 and 60 quarterly payments on the common, varying in rate from 4 to 10 per cent. with one extra 10 per cent. and involving $1,625,147 have been paid.

Liquid assets are shown at $1,553,202 a slight reduction from 1923, while current liabilities stand at $236,771, also slightly lower. Fixed assets are up $150,000 to $3,812,597, there being an increase in all items except patents and good will which at $679,002 showed reduction of $16,000.

Profit and loss account follows:

| | 1924 | 1923 |
|---|---|---|
| Net profits | $574,657 | $594,258 |
| Less:— | | |
| Taxes | 44,487 | 61,356 |
| Depreciation | 208,585 | 200,065 |
| Patents | 24,996 | 24,511 |
| Pref. div. | 24,930 | 29,976 |
| Com. Div. | 236,905 | 229,697 |
| | 539,853 | 545,605 |
| | $ 34,804 | $ 48,653 |
| Balance forward | $1,060,302 | $1,011,650 |
| Surplus | $1,095,106 | $1,060,303 |

# STRONG POSITION OF AMERICAN SALES BOOK

## Appraisal Shows Assets Three Times Bank Value — Profits Down in 1924

Net profits of American Sales Book in 1924 fell off when compared with 1923, the figures being, 1924, $463,059; 1923, $572,792. This is explained as being due to the falling off in business in the early summer, after a favorable spring has been enjoyed. The pick-up did not materialize until after the U.S. presidential election, too late to make much of an impression on earnings of the final quarter of the year.

Federal taxes of $36,295, when deducted from the net and the balance from 1923 of $152,927 added, the amount available for disbursement is $579,691, of which $100,788 was placed in depreciation reserve. This is considerably less than the 1923 total of $140,915, and was explained by Pres. S. J. Moore. Preferred dividends totalled $215,131, common $4 per share or $122,932, leaving a balance of $48,752.

| | 1924 | 1923 |
|---|---|---|
| Net profits | $463,059 | $572,792 |
| Less:— | | |
| Taxes | 36,295 | 36,365 |
| Bond interest | 25,897 | 14,499 |
| Depreciation | 100,778 | 140,916 |
| Patents | 50,000 | 50,000 |
| Prem. on Red Bonds | 16,200 | ...... |
| Pref. div. | 215,131 | 215,131 |
| Com. div. | 122,932 | 92,199 |
| | 567,233 | 549,109 |
| | x$104,174 | $ 23,683 |
| Bal. forward | 152,927 | 129,244 |
| Surplus | $ 48,753 | $152,927 |

xDeficit.

Pres. S. J. Moore, after a brief review of business conditions, which fell away during the summer, said that notwithstanding the slowing up in general trade, the company's shipments for the year as a whole were maintained. The year's profits are subject to deduction of federal income taxes. A reserve has been provided against possible adjustments in taxes on previous years' earnings.

"An appraisal of the real estate, buildings, plant and equipment owned by the company, made by the American Appraisal Co., showed sound depreciated values at Aug. 19, 1924, of $2,444,651.81. This is more than three times the net total amount at which these assets are carried on the books. As a result of the conservative practice which has been followed for some years in respect of the amounts transferred to reserve for depreciation a considerable part of the plant and equipment has been depreciated over 90 per cent. In consequence future transfers will be much less than formerly. The year's accounts have been charged with special expenditures made for development work carried on in one of the departments of the business. The success attending this work gives promise of adding substantially to future profits. Unusual expenses were incurred also in connection with the extensive advertising and sales campaigns conducted during the year in connection with the fortieth anniversary."

It is intimated that business so far this year has been greater than for the corresponding period of last year.

The balance sheet discloses current assets of $1,142,457, against $963,886, and current liabilities $162,557, against $427,155, indicating a very material improvement in working position. The company has no bond indebtedness. Total reserves are carried at $1,104,056, against $1,273,654.

### RAILWAY EQUIPMENT ORDERS

Canadian Locomotive Co., Kingston, has received orders for several locomotives and Eastern Car Co., a Besco subsidiary, is busy on 175 auto cars for the Canadian National and will shortly start work on 1,700 mine cars for Besco coal mines.

### BIG HARDWARE SHIPMENT

Twenty-four cars of hardware were shipped in one C.P.R. train by Beatty Bros., Fergus, recently, to the West. The shipment was made up of 2,000 iron farm pumps, 1,000 washing machines, etc., which goes to 700 Western dealers for spring trade. The shipment is invoiced above $150,000.

# DETROIT UNITED SHOWS DEFICIT

## Company Had Poor Year — Working Capital is Seriously Impaired

Detroit United Railway made a poor showing last year. Payment of two quarterly dividends for the first half of the year left deficit of $158,578, without figuring anything for depreciation, while expenses arising out of the financing done by the company during the year reduced the surplus at credit of profit and loss by nearly fifty per cent.

The outstanding feature of the balance sheet is the sharp contraction of current assets and expansion of current liabilities, which leaves the company with a working capital deficit of nearly four millions, and which points in no uncertain manner to the necessity for further financing before very long.

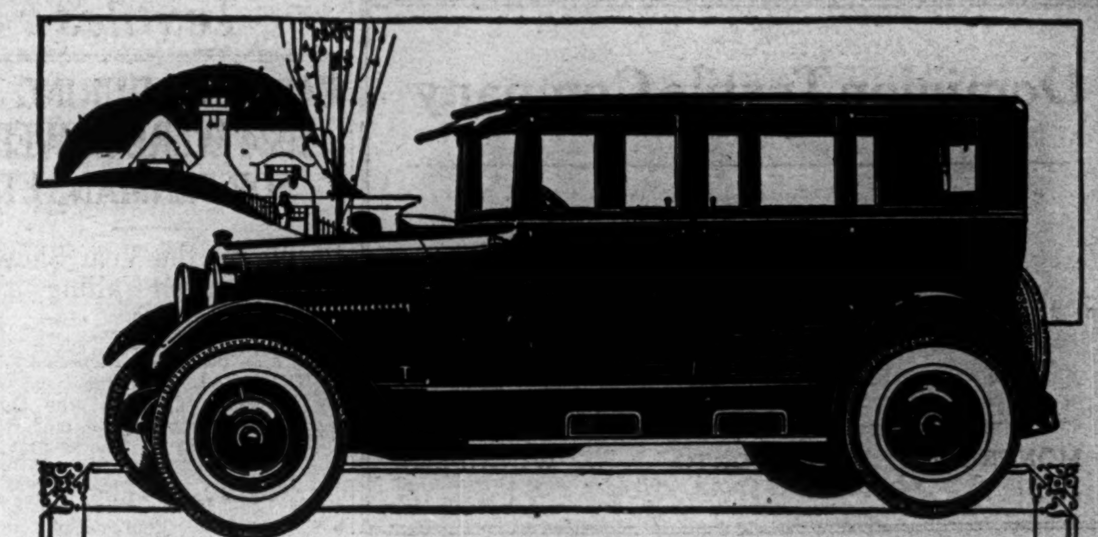
As a matter of fact, gross operating revenue compared pretty well with that of 1923, being shown at $8,360,035, as compared with $8,863,599. Operating expenses were $7,275,797, as compared with $7,243,270, leaving net operating income at $1,084,238. Other income brought the total to $1,777,162 as compared with $2,493,911. Deductions were as follows: Taxes, $592,055; bond interest, $1,736,433 (less $702,710 representing interest received from the city on account of balance due), leaving the deduction at $1,033,723. This left a balance of $151,384, to which is added $150,788, representing discount on securities retired, making net before depreciation of $302,172. The sum of $460,750 was paid out in dividends, creating a debit balance of $158,578.

There are some factors which hold out some hope to the Canadian holders of millions of dollars' worth of the securities of the United States utility. Speaking for the directors, President Elliott G. Stevenson gives some encouragement to shareholders for expecting higher gross revenues and lower operating expenses in 1925 than was the case last year.

# STOCK MOVEMENTS OF THE WEEK

## WEEK ENDING FEBRUARY 24

| | Div. Rate | Yield Feb. 23 | High for wk. | Lhw for wk. | Close Feb. 24 | Close Feb 17. | Sales for wk. | Range 1925 High | Range 1925 Low |
|---|---|---|---|---|---|---|---|---|---|
| **Paper—** | | | | | | | | | |
| Abitibi, com. | 4.00 | 6.20 | 65 | 63½ | 64½ | 63½ | 445 | 67 | 62 |
| Do. pref. | 7 | 6.60 | 106 | 106 | 106 | .. | 5 | 106 | 101 |
| Brompton Pulp | . | .... | 30 | 28½ | 29 | 30 | 427 | 33½ | 28½ |
| Laurentide | 6 | 7.27 | 83¾ | 82½ | 83¾ | 82½ | 800 | 85½ | 81½ |
| Price Bros. | 2 | 5.12 | 39 | 39 | 39 | 39 | 240 | 39 | 36 |
| Prov. Paper, com. | 6 | 6.34 | 96 | 94½ | 96 | 95½ | 110 | 96 | 88½ |
| Do. pref. | 7 | 7.07 | 99½ | 99 | 99½ | 100 | 287 | 100 | 95 |
| Smith, Howard, com. | . | .... | 26 | 26 | 26 | 26 | 15 | 29½ | 21½ |
| Do. pref. | 8 | 10.12 | 89 | 79 | 89 | 80 | 398 | 89 | 69½ |
| Spanish River, com. | 7 | 6.51 | 108 | 106½ | 107½ | 107 | 878 | 111½ | 87 |
| Do. pref. | 7 | 5.78 | 121½ | 121 | 121 | 120½ | 263 | 127 | 112½ |
| St. Maurice Paper | 6 | 7.10 | 84½ | 84½ | 84½ | 85 | 10 | 85½ | 80 |
| Wayagamack | . | .... | 45 | 42 | 45 | 42 | 255 | 45 | 34½ |
| **Steel and Steel Industries—** | | | | | | | | | |
| B.E. Steel, com. | . | .... | 3½ | 3½ | 3½ | 3½ | 245 | 3½ | 3 |
| Do. 1st pref. | . | .... | 34 | 31 | 34 | 32½ | 736 | 34 | 29 |
| Do. 2nd pref. | . | .... | 11½ | 10 | 11½ | 10½ | 3395 | 11½ | 8 |
| Can. Car & Found., com. | . | .... | 54 | 53 | 53½ | 53½ | 295 | 57½ | 49½ |
| Do. pref. | 7 | 7.86 | 89½ | 89 | 89 | 89½ | 480 | 90½ | 85 |
| Can. Foundries, pref. | . | .... | 50 | 50 | 50 | 48 | 100 | 50 | 45 |
| Can. Locomotive, com. | 4 | 5.97 | .. | .. | .. | .. | .. | 72 | 64 |
| Do. pref. | 7 | 8.04 | 87 | 86 | 87 | 87 | 35 | 90 | 85 |
| Dominion Coal | . | .... | .. | .. | .. | .. | .. | 50 | 45 |
| Dominion Radiator | 7 | 6.86 | 101½ | 101½ | 101½ | .. | 10 | 102½ | 100½ |
| Dominion Bridge | 4 | 4.46 | 90 | 89 | 89 | 89 | 952 | 93 | 77½ |
| Dom. Steel Corp., pref. | . | .... | 36 | 36 | 36 | 37½ | 5 | 38 | 36 |
| N.S. Steel, com. | . | .... | .. | .. | .. | .. | .. | 13 | 12½ |
| Do. pref. | . | .... | .. | .. | .. | .. | .. | 32 | 32 |
| Ontario Steel, com. | 4 | 8.88 | 45 | 43½ | 44½ | 46 | 220 | 53 | 41 |
| Do. pref. | 7 | 7.60 | .. | .. | .. | .. | .. | 93½ | 91½ |
| Steel of Canada, com. | 7 | 7.97 | 87½ | 86 | 87 | 85½ | 2067 | 89 | 83 |
| Do. pref. | 7 | 6.32 | 112 | 110 | 110½ | 111 | 318 | 112 | 105 |
| **Milling—** | | | | | | | | | |
| Canada Bread, com. | 4 | 3.20 | .. | .. | .. | .. | .. | 125 | 98½ |
| Do. pref. | 7 | 6.68 | 104½ | 104½ | 104½ | 104 | 38 | 105 | 102½ |
| Inter. Milling, pref. | 7 | 6.86 | 102 | 102 | 102 | 102 | 1 | 102 | 99 |
| Lake of Woods, com. | 12 | 6.48 | 185 | 185 | 185 | 188 | 10 | 188 | 184 |
| Do. pref. | 7 | 5.73 | .. | .. | .. | .. | .. | 125½ | 121 |
| Maple Leaf, com. | . | .... | 95½ | 94 | 95 | 97 | 81 | 100 | 80 |
| Do. pref. | 7 | 7.00 | 100 | 99½ | 99½ | 99½ | 123 | 100½ | 98 |
| Ogilvie Flour, com. | 12 | .... | 150 | 150 | 150 | 149 | 171 | 150 | 141½ |
| Do. pref. | 7 | 5.55 | 136 | 126 | 126 | 125 | 60 | 136 | 121½ |
| Shredded Wheat, com. | 8+1 | 6.42 | .. | .. | .. | .. | .. | .. | .. |
| St. Lawrence Flour, com. | 4 | 7.40 | 54 | 54 | 54 | 53 | 10 | 65 | 52 |
| Do. pref. | 7 | 7.44 | .. | .. | .. | .. | .. | .. | .. |
| Western Can. Flour | 8 | 7.40 | 108 | 108 | 108 | 107 | 10 | 110 | 107 |
| **Utilities—** | | | | | | | | | |
| Bell Telephone | 8 | 5.94 | 135 | 133½ | 134 | 135½ | 956 | 137 | 133 |
| Consumers Gas | 10 | 6.05 | 165½ | 165 | 165½ | 164½ | 78 | 170 | 164 |
| Dom. Telegraph | 6 | 6.12 | 49 | 49 | 49 | 49 | 10 | 49 | 38½ |
| Kaministiquia | 8 | 6.66 | 120 | 120 | 120 | 105½ | 10 | 120 | 103 |
| Mackay, com. | 7 | 5.98 | 117½ | 116 | 117 | 118 | 230 | 117½ | 116 |
| Do. pref. | 4 | 5.83 | 68½ | 68 | 68½ | 68½ | 68 | 69 | 67½ |
| Mexican Light, com. | . | .... | 24 | 24 | 24 | 23 | 25 | 24 | 22 |
| Do. pref. | . | .... | 62 | 60 | 62 | .. | 75 | 62 | 57 |
| Mont. L. H. & Pr. Cons. | 7 | 4.14 | 173½ | 168½ | 173 | 168 | 6516 | 173½ | 152 |
| Montreal Telegraph | 8 | 6.40 | 45 | 45 | 45 | 50 | 5 | 55 | 45 |
| Ottawa L. H. & Pr. | 6 | 5.88 | 102 | 101½ | 102 | 102 | 253 | 102½ | 101½ |
| Do. pref. | 6½ | 6.32 | 102½ | 102½ | 102½ | 102½ | 85 | 102½ | 102½ |
| Quebec Power, com. | . | .... | 88½ | 88 | 88 | 89 | 85 | 90 | 85 |
| Do. pref. | 7 | 6.66 | 105 | 105 | 105 | .. | 14 | 105 | 105 |
| Shawinigan | 7 | 5.10 | 137½ | 136 | 137 | 138½ | 778 | 138½ | 103½ |
| So. Can. Power, com. | 1.00 | .... | 72 | 71½ | 71½ | 72½ | 155 | 72½ | 67 |
| **Transportation—** | | | | | | | | | |
| Can. Pacific Railway | 10 | 6.66 | 150½ | 149½ | 150½ | 150 | 161 | 152½ | 149½ |
| Canada Steamships, com. | . | .... | 13 | 12 | 12 | 13 | 205 | 13½ | 11 |
| Do. pref. | . | .... | 47½ | 45 | 45½ | 47½ | 3310 | 50 | 45 |
| **Tractions—** | | | | | | | | | |
| Barcelona | . | .... | 21½ | 20½ | 20½ | 21 | 240 | 23 | 20 |
| Brazilian | 4 | 7.33 | 54½ | 54 | 54½ | 54½ | 3328 | 57½ | 54 |
| Detroit Un. Rly. | . | .... | 25½ | 23 | 24½ | 25½ | 922 | 29 | 23 |
| Duluth-Superior | . | .... | 41½ | 39½ | 41 | 41 | 672 | 42 | 35 |
| Illinois Traction, pref. | 6 | 6.45 | 93 | 93 | 93 | .. | 3 | 93½ | 92 |
| Montreal Trams. | 10 | 5.88 | 170 | 169 | 169 | 170½ | 85 | 173 | 165 |
| Ottawa Traction | 4+1 | .... | .. | .. | .. | .. | .. | 68½ | 62 |
| Porto Rico Rly., com. | . | .... | 40 | 40 | 40 | 42 | 60 | 42 | 35½ |
| Do. pref. | 7 | 7.91 | 89 | 88½ | 88½ | 88 | 75 | 89 | 84 |
| Quebec Rly. | . | .... | .. | .. | .. | .. | .. | 22 | 22 |
| Twin City, com. | 4.00 | 5.94 | 67½ | 62½ | 66½ | 63 | 2995 | 67½ | 58 |
| Do. pref. | 7 | 7.21 | .. | .. | .. | .. | .. | 97 | 94½ |
| Winnipeg Elec., com. | 1 | .... | 47 | 38½ | 47 | 39 | 10740 | 47 | 35½ |
| Do. pref. | 7 | 7.21 | 97½ | 95 | 96½ | 96½ | 967 | 97½ | 87 |
| **Textiles—** | | | | | | | | | |
| Can. Conn. Cotton, pref. | 8 | .... | 50 | 48½ | 48½ | 48½ | 121 | 50 | 46 |
| Can. Converters | 7 | 8.23 | 85 | 84 | 85 | 84 | 155 | 87 | 80 |
| Can. Cotton, com. | 8 | 7.17 | 112 | 110 | 111½ | 112 | 123 | 112 | 106 |
| Do. pref. | 6 | 6.55 | 91½ | 91½ | 91½ | 90 | 30 | 92 | 90 |
| Can. Woolens, com. | . | .... | 12 | 12 | 12 | 12 | 65 | 14½ | 5 |
| Do. pref. | . | .... | .. | .. | .. | .. | .. | 42 | 40 |
| Dom. Textile, com. | 4.00 | 5.75 | 70 | 69½ | 69½ | 70 | 533 | 90 | 66 |
| Do. pref. | 7 | 6.22 | .. | .. | .. | .. | .. | 115 | 111 |
| Monarch Knitting, com. | . | .... | 30 | 30 | 30 | .. | 20 | 30 | 30 |
| Do. pref. | 7 | 10.00 | 75 | 70 | 70 | 75 | 15 | 80 | 70 |
| Montreal Cotton, com. | 6 | 6.12 | .. | .. | .. | .. | .. | 99 | 95 |
| Do. pref. | 7 | 6.26 | 112½ | 111½ | 111½ | .. | 26 | 121 | 109 |
| Penmans, com. | 8 | 5.29 | 153 | 148 | 151 | 152 | 422 | 156 | 148 |
| Do. pref. | 6 | 6.00 | .. | .. | .. | .. | .. | 100 | 100 |
| Wabasso Cotton | 4.00 | 6.66 | 60 | 60 | 60 | 60 | 5 | 60 | 56 |
| **General Industrials—** | | | | | | | | | |
| Amer. Salesbook, com. | 5 | 5.00 | 40 | 40 | 40 | 40½ | 52 | 40½ | 38 |
| Do. pref. | 7 | 7.60 | 92 | 92 | 92 | 91 | 47 | 93 | 90 |
| Asbestos, com. | 2 | 4.65 | 43 | 42 | 42 | 42 | 57 | 45½ | 35 |
| Do. pref. | 6 | 7.40 | 83½ | 81 | 81 | 81½ | 95 | 88 | 73½ |
| Atlantic Sugar, com. | . | .... | 36½ | 30 | 36½ | 30½ | 21931 | 36½ | 13 |
| Do. pref. | . | .... | 82 | 78 | 82 | 78 | 2771 | 82 | 40 |
| Bird & Son, pref. | 7 | 8.69 | 81 | 80½ | 80½ | 80½ | 13 | 83 | 80½ |
| B.C. Fishing | . | .... | 32½ | 27½ | 32½ | 28½ | 3137 | 32½ | 19 |
| Burt. F. N., com. | 10 | 6.41 | 157 | 155 | 157 | 154½ | 431 | 163 | 140 |
| Do. pref. | 7 | 4.89 | 156 | 156 | 156 | .. | 1 | 158 | 142½ |
| Canada Cement, com. | 6 | 5.78 | 103½ | 101½ | 103½ | 101 | 2441 | 103½ | 90½ |
| Do. pref. | 7 | 6.36 | 111½ | 110 | 110 | 111½ | 170 | 114 | 107 |
| Cons. Rubber, pref. | 7 | 8.14 | .. | .. | .. | .. | .. | 90 | 86 |
| Can. Gen. Electric, com. | . | .... | .. | .. | .. | .. | .. | .. | .. |
| Do. pref. | 7 | 6.48 | 54 | 53½ | 54 | 54 | 164 | 60 | 53½ |
| Can. Indust. Alcohol | 8 | .... | 19½ | 18 | 18½ | 19 | 3335 | 20½ | 18 |
| Canada Salt | 8 | 6.95 | 115 | 112 | 115 | 112 | 111 | 116½ | 112 |
| Carr. Factories, com. | . | .... | .. | .. | .. | .. | .. | 2½ | 2½ |
| City Dairy, com. | 12 | 3.52 | 85½ | 78½ | 83½ | 79 | 1302 | 85½ | 65 |
| Do. pref. | 7 | 6.36 | 110 | 110 | 110 | 109 | 10 | 110 | 105 |
| Crows Nest Coal | 6 | 12.50 | .. | .. | .. | .. | .. | 49½ | 46 |
| Cuban Can. Sugar, com. | . | .... | 8½ | 8½ | 8½ | 8 | 35 | 10 | 7 |
| Do. pref. | . | .... | .. | .. | .. | .. | .. | 44 | 35 |
| Dom. Canners, com. | . | .... | 95 | 91 | 92 | 95½ | 720 | 100½ | 56½ |
| Do. pref. | 7 | 6.98 | 100½ | 100 | 100½ | 100 | 54 | 100½ | 95½ |
| Dominion Glass, com. | 7 | 6.01 | .. | .. | .. | .. | .. | 116½ | 113½ |
| Do. pref. | 7 | 6.31 | .. | .. | .. | .. | .. | 112 | 110½ |
| Dominion Stores, com. | 1.00 | .... | 34 | 33½ | 33½ | 33½ | 125 | 34 | 28½ |
| Do. pref. | 8 | 8.00 | 100 | 100 | 100 | 100 | 48 | 100 | 71½ |
| Davies, Wm. (A) | . | .... | .. | .. | .. | .. | .. | 32 | 24 |
| Eastern Theatres, com. | . | .... | 14 | 14 | 14 | .. | 5 | 15 | 14 |
| Do. pref. | 7 | 10.00 | .. | .. | .. | .. | .. | 75 | 75 |
| Goodwins, com. | . | .... | 50 | 50 | 50 | .. | 15 | 15 | 15 |
| Do. pref. | 7 | 9.33 | .. | .. | .. | .. | .. | 75 | 75 |
| Goodyear Tire, pref. | 7 | 7.25 | 96½ | 95 | 96½ | 96 | 215 | 97 | 90 |
| Holt, Renfrew, new | 7 | 10.76 | 21 | 20 | 21 | .. | 52 | 21 | 20 |
| King Ed. Hotel | . | .... | 25 | 25 | 25 | 25 | 22 | 25 | 20 |
| Lyall Construction | . | .... | .. | .. | .. | .. | .. | 26½ | 11 |
| Macdonald, A. | . | .... | 10 | 9½ | 9½ | 9 | 260 | 11½ | 4½ |
| National Brew, com. | 4.00 | 6.42 | 63 | 62 | 62 | 62½ | 1390 | 68 | 61½ |
| Do. pref. | 7 | 6.59 | .. | .. | .. | .. | .. | 106½ | 105½ |
| Pacific Burt, com. | 6 | 6.34 | .. | .. | .. | .. | .. | 95½ | 94 |
| Do. pref. | 7 | 6.67 | .. | .. | .. | .. | .. | 107 | 103 |
| Port Hope Sanitary, com | . | .... | 58 | 57 | 57 | 57 | 75 | 60 | 53 |
| Do. pref. | 7 | 7.70 | 90 | 90 | 90 | 90 | 30 | 90 | 90 |
| Rogers, Wm. A., com. | . | .... | .. | .. | .. | .. | .. | 65 | 59½ |
| Do. pref. | 7 | 7.44 | 95 | 94 | 95 | 94 | 26 | 95 | 90 |
| Russell Motor, com. | . | .... | .. | .. | .. | .. | .. | 28 | 28 |
| Do. pref. | 7 | 8.53 | 82 | 80 | 82 | 80 | 50 | 82 | 74½ |
| Sawyer-Massey, pref. | . | .... | .. | .. | .. | .. | .. | 6 | 5 |
| Sherwin-Williams, com. | 6 | 4.72 | 127 | 126 | 127 | 127 | 105 | 130 | 115 |
| Do. pref. | 7 | 6.42 | 110 | 109 | 110 | .. | 142 | 110 | 104½ |
| Sterling Coal | 4 | 7.84 | 51 | 50 | 51 | .. | 209 | 53 | 49 |
| Tooke Bros., pref. | . | .... | .. | .. | .. | .. | .. | 45 | 37 |
| Tuckett Tobacco, com. | 4 | 6.08 | .. | .. | .. | .. | .. | 70 | 59 |
| Do. pref. | 7 | 6.93 | .. | .. | .. | .. | .. | 102½ | 96½ |
| Woods Mfg., com. | . | .... | 42 | 42 | 42 | 39 | 50 | 49 | 20 |
| Do. pref. | 7 | 9.39 | 75 | 74 | 74½ | 73½ | 181 | 75 | 64½ |
| **Trust and Loan—** | | | | | | | | | |
| Canada Landed | 10 | 5.81 | 86 | 85 | 86 | 85 | 32 | 88 | 80 |
| Can. Permanent | 12 | 6.09 | 197 | 196½ | 197 | 197 | 10 | 200 | 190 |
| Hamilton Prov. | 10 | 6.66 | .. | .. | .. | .. | .. | 20 | 20 |
| Huron & Erie | 7 | 6.00 | .. | .. | .. | .. | .. | .. | .. |
| Landed Banking | 9 | 6.42 | .. | .. | .. | .. | .. | .. | .. |
| Montreal Loan | 12+1 | 7.21 | .. | .. | .. | .. | .. | 45 | 45 |
| National Trust | 12 | 5.40 | 222 | 222 | 222 | 233 | 3 | 233 | 210 |
| Ontario Loan | 11 | 5.50 | .. | .. | .. | .. | .. | 100 | 100 |
| Real Estate Loan | 7 | 7.95 | 88 | 88 | 88 | .. | 3 | 88 | 88 |
| Toronto Gen. Trusts | 12 | 5.66 | .. | .. | .. | .. | .. | 212 | 211 |
| Toronto Mortgage | 10+1 | 6.10 | 90 | 90 | 90 | .. | 4 | 90 | 87½ |
| Union Trust | 7 | 9.41 | .. | .. | .. | .. | .. | 85½ | 85½ |



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*Manufacturers of*
**COTTON FABRIC**

MONTREAL TORONTO WINNIPEG

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## *Textiles*

# EARNINGS DURING 1924 WERE LOWER FOR PENMANS LTD.

### Profits for the Year Show a Decided Falling Off

**From Our Own Correspondent.**

MONTREAL.—For the year ending December 31, 1924, the annual report of Penman's, Limited, shows a falling off in profits of $180,924. The profits last year were $570,078, and those of the preceding year totalled $751,002. After deducting bond interest, depreciation, taxes, machinery written off, bad debts, and preferred dividends, there remained a balance of $286,873, equal to 13.33 per cent. on the common stock, which compares with earnings on common of 17.13 in 1923. The balance sheet shows that $50,000 was allowed for depreciation, whilst in the two preceding years an allowance of $100,000 was made. Considering the conditions which have prevailed in the textile industry, the showing was generally regarded as being satisfactory.

The gross trading profits as shown in the report are $570,078, as compared with $751,002 of the previous year. In the profit and loss statement, the bond interest and preferred dividends are the same as last year, but the amounts shown under depreciation, taxes, machinery written off, and bad debts, are all down.

**Profit and Loss Comparison**

The figures in the profit and loss account for the past three years compare as follows:

| | 1924 | 1923 | 1922 |
|---|---|---|---|
| Profits ... ..... | $570,078 | $751,002 | $731,434 |
| Bond int. ....... | 100,000 | 100,000 | 100,000 |
| Balance ... ... | $470,078 | $651,002 | $631,434 |
| Deprec. ... ..... | 50,000 | 100,000 | 100,000 |
| Balance ... ... | $420,078 | $551,002 | $531,434 |
| Taxes .... ...... | 25,000 | 50,000 | 40,000 |
| Balance ... .. | $395,078 | $501,002 | $491,434 |
| xMachinery .. .. | 18,838 | 41,583 | 42,625 |
| Balance ... ... | $376,240 | $459,419 | $448,809 |
| Bad debts ... ... | 24,867 | 26,468 | 17,077 |
| Net earn. ..... | $351,373 | $432,951 | $431,731 |
| Pfd. divs. ....... | 64,500 | 64,500 | 64,500 |
| Balance ... .. | $286,873 | $368,451 | $367,231 |
| Com. divs. ...... | 172,048 | 172,048 | 172,048 |
| Balance ... .. | $114,825 | $196,403 | $195,183 |
| Com. bonus ..... | 43,012 | 43,012 | ...... |
| Surplus ... ... | $ 71,813 | $153,391 | $195,183 |
| Prev. surp. ... | 1,229,454 | 1,076,065 | 880,881 |
| P. & L. bal.... | $1,301,267 | $1,229,456 | $1,076,065 |

xWritten off.

The working capital of the company is well over $3,500,000, and slightly in excess of last year; the ratio between current assets and current liabilities is considerably lower than in the 1923 statement. However, this last is of little significance, for in the case of Penman's the proportion of quick assets to current liabilities has always been so large that even a slight change in the current liabilities affects the ratio. For this year the working capital figures for the past three years compare as follows:

| | 1924 | 1923 | 1922 |
|---|---|---|---|
| Curr. assets .. | $3,783,131 | $3,651,778 | $3,682,530 |
| Curr. liabs. ... | 270,818 | 147,342 | 264,092 |
| Work. cap. ... | $3,512,313 | $3,504,436 | $3,418,438 |

The actual figures in the balance sheet show but minor changes from 1923—the general position is practically the same.

**Position in 1924**

In his remarks to the shareholders, Sir Charles Gordon, the president, said in part:

"The volume of business for the year was considerably curtailed, the sales amounting to $5,314,107, as compared with $6,847,877, showing a decrease of $1,533,770, equal to 22.40 per cent. Part of this decrease is accounted for by lower prices and the falling off in dozens is not as serious as indicated by the values, but still your company has experienced very keen competition and difficulty in securing the volume of business which the mills are capable of handling.

"We have paid the usual dividends and also the bonus of 2 per cent., although, strictly speaking, the results for the year hardly warrant us in paying a bonus, and had it not been for the conservative policy which has been pursued for many years, whereby we build up strong reserves, we might have had to omit the bonus."

**The Outlook for the Company**

Penman's common stock is now changing hands at around 151 and paying a dividend of eight per cent., with a 2 per cent. bonus. At this level, the yield to the purchaser of about 6½ per cent. is generous for a stock which has had such a good earning record for so many years. With the exception of 1921, when the earnings on the common dropped off to 2.35 per cent., the earnings have always been in excess of dividend requirements.

The company is in a wonderfully strong position financially. For this year the current assets are fourteen times as great as the current liabilities. These figures may well be compared with the total funded debt, which is $2.000,000. This bond issue is due in November, 1926, and the company could redeem them and still have a working capital of over $1,500,000; this would then represent a current ratio of over 6 to 1; also the shareholder would have a much greater equity in the company.

During the war period, the earnings on the common jumped as high as 35 per cent., and in 1921 they naturally showed the results of the deflation by falling off to only 2.35 per cent. But the past three years have shown earnings of 17, 17 and 13 per cent. on the common. The falling away in the earnings during 1924 does not necessarily mean that for 1925 they will not pick up, more especially as the general business conditions seem to be a little better.

There has again been heard some talk of Penman's following the lead given in 1922 by its sister security, Dominion Textile, and dividing the stock into smaller units. Many are the advantages which would be obtained from this action, for the splitting of a stock always makes for a wider market, and a more general public interest in the stock. Should it be divided it would probably be in the ratio of 3 to 1, and some say that this would mean an increase in the dividend to 12 per cent., or 4 per cent. on the new stock, making the yield at present levels in the neighborhood of 7¾ per cent.

**The Market Position**

The market price at the moment seems, perhaps, to have discounted something of what the future holds out, but the actual time to purchase a stock depends on many outside influences as well as the actual position of the company. The general business conditions and the technical position of the market for the stock are but two of the factors which must be taken into consideration. Though its rise has not been spectacular, Penman's, Ltd., in common with many others, has made a gain since the beginning of the year. Possibly there may be some reaction, but in any event, the suggested split which has been talked of does not look like being consummated in the near future.

Penman's is under exceptionally capable management, and is under the presidency of Sir Charles Gordon.

Through a long and successful connection with the trade, and by advertising, a very read goodwill has been built up for the company. This goodwill incidentally is no longer capitalized on the balaonce sheet, for it is carried at but $1.

# FEDERAL TAX PROVES DRAIN ON MONARCH

### Knitting Company Paid Ottawa Over $95,000 During Past Year

Taxes of $95,125 were collected by the Dominion government during 1924 from Monarch Knitting Company and this, coupled with competition from Great Britain and European countries, where wages are lower and a lower standard of living prevails, ate heavily into the company's earnings with the result that when all charges, depreciation and preferred dividends are taken care of, the amount withdrawn from surplus account was $104,825. Net earnings for the year totalled $17,675, which is a drop of nearly $100,000. This is explained by the fact that the year's sales were off by 12½ per cent. This curtailed output was due, as President F. R. Lalor pointed out, to the inroads made into the Canadian market by the cheaper produced products of Europe which can easily undersell the Canadian product. It will also be noted that the amount Ottawa took from the company in taxes makes up the bulk of the deficit which the company was forced to assume. The working position of the company is still fairly good, liquid assets totalling $1,354,198, the large bulk of which is made up of inventories on hand. Liquid liabilities stand at $688,284. Bank loans secured under Sec. 88 of the Bank Act total $412,157 of this.

Profit and loss account follows:

| | 1924 | 1923 |
|---|---|---|
| Net profits ............. | $ 17,675 | $114,887 |
| Less— | | |
| Depreciation ... ........ | 70,000 | ...... |
| Pref. Dividends ........ | 52,500 | 52,500 |
| | x104,825 | $ 62,387 |
| Bal. forward ............. | 609,492 | 547,104 |
| Surplus ..... ............ | $504,667 | $609,491 |

xDeficit.

# CANADIAN MANHASSET EARNINGS ARE DOWN

### Keen Competition in Industry Holds Profits at Lower Level for Year

**From Our Own Correspondent.**

MONTREAL.—The 1924 report of the Canadian Manhasset Cotton Company reveals a big drop in profits, due to keen competition in the tire fabric industry during the year. The net profits for the year's operations were $35,271 or equal to 5.6 per cent. toward the preferred dividend, while the report for 1923 showed earnings of $154,192 of 24.4 per cent. on the preferred stock.

The gross trading profits for the year were $176,902 or a little better than half of the gross profit for 1923, which amounted to $323,282. Speaking of the past year's business, the president said that it was a reflection of the abnormal business conditions which have obtained, and in referring to the future he declared that "the directors look forward with confidence for better results and expect your company to enjoy its full share of the anticipated improvement of business in general."

Here is the comparison of the profit and loss account for the past two years:

| | 1924 | 1923 |
|---|---|---|
| Gross profits ..... ....... | $176,902 | $323,282 |
| Less expenses ............ | 80,884 | 93,355 |
| Net income ............ | $ 96,017 | $229,926 |
| Less interest .... ........ | 12,000 | 11,983 |
| Depreciation ... .......... | 49,321 | 54,883 |
| Organization expenses .. .. | ...... | 10,215 |
| Balance ......... ...... | $ 34,696 | $ 77,081 |
| Interest received .......... | 574 | 1,347 |
| Net profit for year......... | $ 35,271 | $154,192 |

## International Match Makes Big Stock Issue in States

**From Our Own Correspondent.**

MONTREAL.—The recent issue of 460,000 shares of preferred stock of International Match Company in the United States is indirectly of interest to Canadians, as the company controls the World Match Corporation, with a large factory at Berthierville, Que. This factory was originally built by the Rockefeller interest but was taken over a few years ago by the International Match Company, which is the North American subsidiary of the Swedish Match Company.

The International Match Corporation, which is incorporated in Delaware, controls companies owning forty-two match-manufacturing plants in various European and other countries.

The majority of the common stock of International Match Corporation is owned by the Swedish Match Company, which also controls and owns twenty match-manufacturing plants in Sweden and several other match factories in other countries.

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WALTER F. WATKINS,
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Toronto, February 18th, 1925.

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# *Public Utilities*

## ELECTRIC POWER CHEAP IN CANADA; UNDER 1c. K.W.H.

### Quebec Province Has Cheapest Power, With Ontario Close Second

**From Our Own Correspondent.**

MONTREAL.—Power is supplied in Canada at an average cost of under one cent per kilowatt hour, chiefly due to the abundance of water power in Canada, it is indicated by the annual census of central electric stations in Canada. The average net revenue per kilowatt hour of all central electric stations in Canada was only .83 cents in 1923. While the census has been compiled on a basis slightly different from previous years, making specific comparison impossible, it is shown that power costs have again declined throughout Canada.

Quebec has the cheapest power in Canada, the report shows, the average net revenue per kilowatt hour for all central electric stations having been, in 1923, as follows:

| | |
|---|---|
| Quebec | .68 cents. |
| Ontario | .72 cents. |
| Yukon | .93 cents. |
| Manitoba | 1.06 cents. |
| British Columbia | 1.08 cents. |
| Alberta | 2.32 cents. |
| New Brunswick | 3.58 cents. |
| Saskatchewan | 4.43 cents. |
| Nova Scotia | 4.98 cents. |
| Prince Edward Island | 8.67 cents. |

### Modifying the Comparisons

Concerning these comparisons, the government's report states:

These average revenues include service charges, meter rentals and all other items entering into the monthly bills. It must also be understood that these net revenues include all line, transformer and other losses, and are therefore somewhat below the average price per k.w. hour paid by the consumer. The nature of the industry or the manner in which electric energy is used has a great deal to do with these averages, since the price per k.w. hour charged for lighting service is generally at a higher rate than for power service. Consumers of large blocks of power invariably are able to secure a price much below small power consumers and very much below the lighting rate, especially if they use the power at off-peak-load periods. The statistics, however, do not segregate the power used for lighting services, so that it is impossible to make comparisons as between municipalities or provinces except on the total consumption. When making comparisons of any kind such factors as nature of consumers, the source of energy, whether from hydro-electric or fuel stations, the number of lighting customers, and all such factors must be considered.

Averages of capital per horse-power are the total capital dividend by the total power. The average capital per horse-power of all equipment showed a decrease for Canada of $10, the average for Ontario being less by $20, which was partially accounted for by additional wheels being installed in the Queenston plant of the Ontario Hydro-Electric Power Commission: there were only three wheels included in the 1922 census, and two additional wheels were added in 1923, increasing the horse-power by 110,000. There was also 10,000 horse-power added in Northern Ontario. The heavy expenditure for the Queenston plant was included in the 1922 report, so that while the installation of additional wheels increased the capital, it did not increase it in the same ratio as the increase in horse-power, and this will be further emphasized in the census for 1924, when 2 more wheels were installed. In Quebec the difference was $13 per horse-power, due to a decrease in capital and a net increase in installations of 29,283 horse-power. The Montreal Light, Heat and Power Company installed new wheels aggregating 22,600 horse-power and the Ottawa and Hull Power Company installed a new wheel with a capacity of 7,500 horse-power. The large increase in New Brunswick of $45 per horse-power was due principally to the initial developments of the New Brunswick Power Commission. With the installation of additional wheels, this average will also be decreased as was the case in Ontario.

That power charges do not bear a great relation to the capital invested in plants is also apparent. The average investment per h.p. in Canadian electrical plants varies as follows between the provinces:

| | |
|---|---|
| Yukon | $141 per H.p. |
| Alberta | 155 per H.p. |
| Saskatchewan | 164 per H.p. |
| British Columbia | 191 per H.p. |
| Quebec | 198 per H.p. |
| Nova Scotia | 210 per H.p. |
| Manitoba | 230 per H.p. |
| New Brunswick | 248 per H.p. |
| Ontario | 262 per H.p. |
| P. E. I. | 269 per H.p. |

### Most Power Is From Water

The report shows that of 2,423,845 h.p. of primary power generated in electric stations in Canada no less than 2,282,547 h.p. is water power. This is a ratio of 94 per cent. water power. In this high percentage Canada is probably unique among nations. The large central electric stations in the United States are only about 40 per cent. water-operated.

The low cost of electrical energy has stimulated the wide use of electricity in Canada, and there were in 1923 1,112,547 customers of central electric stations in Canada, including 920,223 domestic consumers. The report states that 54 per cent. of Canada's population is in the communities served by electrical supply but a more interesting comparison would seem to be with the number of homes in Canada, of which there were 1,768,129 in 1921, or 843,588 urban dwellings, and 942,541 rural dwellings.

The total capital invested in central electric stations in 1923 was $581,472,583, and the installed horsepower 2,423,845 h.p. The total gross revenue from the sale of electrical energy was $91,141,296, and the number of kilowatt hours sold 8,099,192,000.

**Southern Canada Power**

| January— | 1924 | 1923 | Inc. |
|---|---|---|---|
| Gross earn. | $100,250 | $ 92,750 | $ 7,500 |
| Oper. exp. | 46,136 | 38,122 | 8,014 |
| Net earn. | $ 54,114 | $ 54,627 | x$ 531 |

xDecrease.

## LONDON ST. RAILWAY MAY CURTAIL SERVICE

Sir Adam Beck has the city of London in a quandary over its street railway. The city has held off making its application to the legislature for permission to raise funds to purchase the railway. Permission for the company to operate at the present five cent fare expires March 8 and as a result the city will face an embarrassing position if the company refuses to carry on at the old fare schedule, at which rate the company say they will be losing heavily. Sir Adam has been having the railway valued and dickering to purchase. In the meantime, since he got back in his seat in the legislature, he got a measure put through the house which cancelled the permission which the company has received from the previous house to charge a five-cent instead of a seven and nine ticket for 25c. schedule. The company has intimated that it will allow the cars to stay in the barns rather than operate at a loss. On the other hand there are those who expect the company to try and operate some cars but they are certain that the present service will be materially reduced.

## Montreal Tramways Further to Simplify Finance Fabric

### Will Issue Bonds on Presently Outstanding Perpetual Debentures—Company Offers Three Good Investment Securities to the Investor

**From Our Own Correspondent**

MONTREAL.—The plan of Montreal Tramways Co. to remove its perpetual debentures from the market and to replace them with general mortgage bonds that will rank after the present first mortgage issue, will, when carried through, remove from the Canadian market one of the strongest and most interesting securities that has been available for Canadian investors but one which has not achieved the measure of popularity that its intrinsic merits warranted.

The company is looking years ahead in deciding to replace the perpetual debentures with bonds. The presently outstanding first mortgage issue will mature in 1941; at that time further financing will have to be arranged. If a general mortgage issue is arranged at the present time it will become a first mortgage in 1941. The company's financial structure will be maintained on a basis simple and strong. The general mortgage bonds will, in the interval, be readily marketable in any market, British, American or Canadian.

### Authorize $100,000,000

It is evidence of the desires of the directors to avoid a complex financial structure for the company that the new issue of first and refunding mortgage bonds will be authorized to the amount of $100,000,000, making new kinds of issues unnecessary. There will then be outstanding only three securities of the Montreal Tramways Co. as follows:

| | Authorized | To be Issued |
|---|---|---|
| 1st mortgage 5's, 1941 | $25,000,000 | $21,351,000 |
| 1st and refunding 5's, 1955 | 100,000,000 | *17,826,500 |
| Common stock | 20,000,000 | 4,000,000 |

*Includes premium on exchange of debentures now outstanding.

The company has sent out letters to the debenture holders asking them to exchange their five per cent. debenture stock for five per cent. thirty-year first mortgage sinking fund and refunding gold bonds. The debenture holders are offered $101 of the new bonds for each $100 of debentures now held.

In addition to the new bonds, that will be issued in this way, $25,000,000 of the issue will be deposited for the repayment, at maturity, of the first mortgage issue, to which a limit of $25,000,000 will now be set instead of the $75,000,000 originally authorized. The remaining bonds will be issued to raise new capital as required.

### Directors State Reasons

Concerning the exchange the directors state:

"Your directors feel that the creation of this new security and the retirement of the presently outstanding debenture stock is in the best interests of the debenture stock holder of the company. Further issues of debenture stock do not command a sufficiently wide market to provide for future financing on reasonable terms. The first issue of debenture stock was made at the time of the company's organization in 1911, but since that time small issues have been made. In 1918, $1,000,000 was issued and sold and in 1922 a further amount of $500,000 was disposed of. Debenture stock is not a security generally known on the Canadian or American markets and the same is not readily saleable on favorable terms. It is obvious that as the activities of the company extend and broaden the company must have available for its purposes a security which will find a ready market throughout the world.

"The presently authorized first and refunding mortgage bonds of the company will mature as to principal in about sixteen years' time, and it is therefore essential that a refunding general mortgage bond with a longer term should be provided. It is with this object that the company recommends the closing of the presently authorized first and refunding mortgage bonds at the sum of $25,000,000, the retirement of all of the outstanding issue of debenture stock, and the authorization of the suggested issue of thirty-year general and refunding mortgage sinking fund gold bonds."

### Montreal Tramways Investments

The new arrangement of the company's bond issues, which will likely be given approval by the debenture holders, draws attention to the unique investment offerings, excellent investments of one kind and another, offered by the Montreal Tramways Co.

The strongest investment of the company is the outstanding block of $21,351,000 of first mortgage bonds, which is likely to be increased in reasonable time to the full amount allowed by the new arrangement of $25,000,000. These bonds have a wide market in the United States but many Canadian investors, especially institutional investors, have put them in their strong boxes. They return a yield in the neighborhood of 5.40 per cent. for sixteen years. Earnings have always maintained a strong level over interest requirements; the earnings were 3 1/3 times bond interest in 1924. The bonds represent only about one-half the capital value of the company's system.

Second among the interesting securities of Montreal Tramways has been the perpetual debenture issue, now to be replaced, if the proposed plan is approved, by general mortgage bonds to rank after the first mortgage issue just mentioned. The new issue will itself become a first mortgage issue after 1941. The perpetual debentures have been selling on a yield basis of around 5.90 per cent. but it is to be presumed that the new issue, having a fixed maturity date and being better understood by investors generally, will sell on a basis of a lower yield than that.

### Common Stock Issue

Behind both of these issues is the common stock of the railway, in itself an issue of high investment merit.

Montreal Tramways common stock has for all intents and purposes been put amongst the highest types of corporation investments by the nature of the contract between the city of Montreal and the Montreal Tramways Co. This contract is so worked out as to practically assure the continuous payment of 10 per cent. dividends on Montreal Tramways common stock. The dividend rate is not guaranteed, nor is it mentioned in the contract. But the effect of the contract is to insure that the return to the investor shall not be less than $10 per share annually. As a matter of fact, it may be more. At the present time, earnings available for dividends are in excess of the amount required to pay 10 per cent. dividends, while dividends are not likely to be increased above the 10 per cent. rate, but there is a strong possibility, practically a certainty, that holders of Montreal Tramways stock may from time to time be offered the privilege of subscription for new shares at par, or, at least, at some price well below the prevailing market, and this would be the equivalent of a bonus of the amount for which the "rights" would sell in the open market.

### A Very Ingenious Contract

The contract between the city of Montreal and the company has been ratified by the Quebec provincial legislature, and is a marvel of ingenuity. It provides for a fair return to the company on its invested capital, including capital that may in the future be invested in extensions, and it provides for the automatic increase of fares charged the public when the return falls below the amount required. On the other hand, a toll reduction fund, into which a proportion of surplus earnings is put, insures that car fares will come down if the prevailing rates are higher than are required to give the company a fair return on its investment. The city of Montreal gets substantial revenues under the contract. All the benefits of public ownership, and all the benefits of private ownership are combined in a "service-at-cost" plan of operation.

### The Terms of the Contract

Some explanation of the terms of the contract might be in order.

On January 28, 1918, the company entered into a contract with the city of Montreal, which was ratified by legislative act of the province of Quebec on February 9, 1918, under the terms of which the company is granted the right to conduct its business in Montreal until March 24, 1953.

The contract creates a commission appointed by the lieutenant governor-in-council of the province of Quebec. The duties of the commission are to administer the terms of the contract which grants authority to, and imposes the obligation upon the commission to always maintain fares which shall provide revenues sufficient to meet the following requirements in the following order of priority:

1. All operating expenses and taxes.
2. Ample funds for maintenance and renewals, and in connection therewith to create a maintenance and renewal fund of at least $500,000.
3. An annual return to the company of 6 per cent. on the stipulated value ($36,286,295 plus capital expenditures made subsequent to December 31, 1917), as well as 6 per cent. on all working capital required for the operation of the company; also $181,431.47 per annum during the life of the contract to cover expenses of financing.
4. A rental of $500,000 per annum to the city of Montreal.
5. The obligation to create a contingent reserve fund of $500,000.
6. Any surplus after providing for the above to be divided as follows: 20 per cent. to the company; 30 per cent. to the city; 50 per cent. to be used to create a tolls reduction fund of $2,500,000 to be used by the commission for reduction of fares as provided in the contract.

The contingent reserve fund and the tolls reduction fund can be drawn upon in turn to make up any deficiency in the payments to be made to the company by way of return upon the capital value.

It is also provided by the contract that in the event of any shortage of revenue arising in any one year to cover the obligations mentioned above, the commission is authorized and obliged to add such shortage to the requirements of the next year, and to make a rate of fare to cover the total.

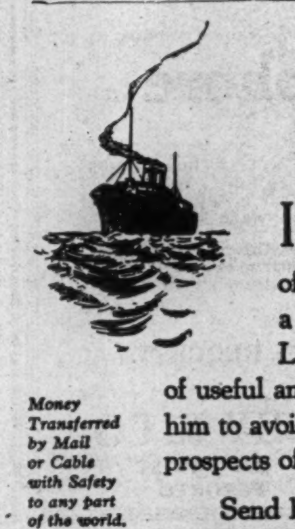
### Earnings Are Favorable

Annual reports have indicated that the company's share of earnings have always been sufficient to pay interest and dividends, and to leave a small yearly balance. The fact that there is this annual surplus indicates that the issuance of new stock at under market price would be justified. If in the future the company can borrow at low rates of interest, the shareholders' prospects will be accordingly improved, for besides enabling extensions to be financed cheaply the stock itself would have a tendency to line up with prevailing yields.

The street railway system of Montreal has been in successful operation since 1861, and the Montreal Street Railway Co., the principal predecessor of the Montreal Tramways Co., paid consecutive annual dividends on its capital stock for more than 30 years. The company is now paying dividends at the rate of 10 per cent. on its common stock.

## Winnipeg Electric is Likely to Continue Common Div.

Winnipeg Electric came in for the heaviest trading in this stock of the year this week when the common sold up to 45 on a keen demand both in Toronto and Montreal. The preferred moved up a half point. Some large blocks of common were taken off the market in Toronto. There has been some talk in regard the dividend position of the stock. This would seem to be the factor behind the present movement, a feeling having got abroad that the four per cent. dividend paid will be permanent. Others say that quarterly payments of one per cent. are to be expected so long as earnings justify this. In addition there is the prospect that the railway may be taken over by the city and the success of the Toronto stock in this regard makes the outlook for Winnipeg Electric interesting.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## The Fifty-Third Annual Meeting of the Shareholders of THE HAMILTON PROVIDENT AND LOAN CORPORATION

The Fifty-third Annual Meeting of the Shareholders was held at the Corporation's Head Office, Hamilton, at noon on Monday, February 23rd, 1925.

The net profits for the year, after deducting interest due and accrued on borrowed capital, expenses of management and other charges, amounted to $195,849.43.

Of which the following disposition has been made:—

| | | |
|---|---|---|
| Two half yearly Dividends at the rate of Ten per cent. per annum | $ 120,000.00 | |
| Government, Business and War Taxes | 23,971.51 | $ 143,971.51 |
| Added to Reserve Fund | | 50,000.00 |
| Carried to Contingent Fund | | 1,877.92 |
| | | $ 195,849.43 |

**ASSETS**

| | | |
|---|---|---|
| Office Premises in Hamilton and Brandon | | 93,000.00 |
| Real Estate held for sale | | 109,200.30 |
| Mortgages— | | |
| Principal | $4,189,947.17 | |
| Interest | 204,986.28 | 4,394,933.45 |
| Loans on Corporation's own Stock | | 4,140.30 |
| Dominion of Canada and Province of Ontario Securities owned | 186,133.25 | |
| Canadian Municipalities and School District Debentures owned | 84,361.00 | 270,494.25 |
| Cash in Chartered Banks | | 347,460.94 |
| Cash on hand | | 8,656.90 |
| | | $5,227,886.14 |

**LIABILITIES**

| | | |
|---|---|---|
| TO THE PUBLIC— | | |
| Debenture Stock | $ 372,786.66 | |
| Sterling Debentures | 592,905.29 | |
| Currency Debentures | 613,438.98 | |
| Interest accrued on Debentures | 16,620.25 | |
| Savings Deposits | 823,231.00 | |
| Provision for Income War Tax and Balances due Borrowers | 50,480.73 | $2,469,462.91 |
| TO THE SHAREHOLDERS— | | |
| Capital Subscribed, $2,000,000.00 | | |
| Capital fully paid | $1,000,000.00 | |
| Capital partially paid | 200,000.00 | |
| Reserve Fund | 1,450,000.00 | |
| Contingent Fund | 48,423.23 | |
| Dividend (Payable 2nd January, 1925) | 60,000.00 | $2,758,423.23 |
| | | $5,227,886.14 |
| Surplus security for Depositors and Debenture Holders | | $2,758,423.23 |

GEORGE HOPE,
President.

D. M. CAMERON,
General Manager.

The Directors were re-elected as follows: Messrs. George Hope, Henry L. Roberts, W. A. Wood, Stanley Mills, D. M. Cameron and W. J. Aitchison.

At a subsequent Meeting of the Directors, George Hope was re-elected President, and Henry L. Roberts, Vice-President.

**Lake Shore**

This weeks' issue of The Market Despatch contains official information on Lake Shore which should be in the hands of every wide-awake investor.

Possibilities for the future, based upon this official information, are set forth at length in this publication, which we will be pleased to mail

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Reply, as completely as convenient, to Box 23,
The Financial Post,
153 University Ave., Toronto, Ont.

### Lakeside Lorrain Options Shares at Sixteen Cents

Lakeside Lorrain Mines, Ltd., have granted an option on 550,000 shares of treasury stock at a total price of $88,000, or an average price of 16 cents per share. A substantial payment has already been made and subsequent payments are payable every 30 days. It is expected changes in the directorate will take place in due course, but in the meantime it is understood additional mining equipment will be purchased in order to speed up underground work.

#### HIGH GRADE SHOOT

Lateral work on the 1,000 ft. level of Concaurium has cut high grade ore running $52 over 4 ft. in width. The shoot underlies porphyry, as in the McIntyre.

#### WALSH-KATRINE

Walsh-Katrine, controlled by Cobalt and Sudbury people, is reported to have encountered splendid values in cutting the station in the shaft at 250-ft. The shares are unlisted.

#### CASTLE

Castle Trethewey is reported to have cut a new ore body 10-ft. wide, made up of a series of little stringers, composed of milling grade ore. It has possibilities of developing into something richer. Castle shares have held firm around 77c. for some days now.

#### SILVER AND OTHER METALS

| Feb. | 23 | 24 | 25 | 26 |
|---|---|---|---|---|
| Silver— | | | | |
| London (d.) | — | 32¾ | 32¾ | 32¾ |
| New York | 68¾ | — | 68½ | 68½ |
| Copper | 14¾ | — | 14¾ | 14¾ |
| Lead | 9.12 | — | 9.12 | 9.12 |
| Zinc | 7.60 | — | 7.55 | 7.55 |

### NO OTHER CHANGES IN QUEBEC MINE LAWS PENDING AT PRESENT

No other serious amendments to the Quebec Mining Act are being contemplated for the moment, according to Hon. J. E. Perrault, minister of mines.

#### DOME

It is stated that Dome mines has nearly $1,000,000 in ore indicated on the new ore body cut on the eleventh level in the greenstones.

#### PORCUPINE GRANDE

Diamond drilling, which Coniagas undertook on Porcupine Grande on Porcupine, has failed to confirm previous drilling reports and work has halted.

#### KIRK GOLD

Kirk Gold shaft has reached 300 feet and cross-cutting through the wide shear zone on which the shaft is sunk will be undertaken when the station is cut. New directors recently chosen are: President and general manager, J. A. Morden, Toronto; vice-president, J. S. Knechtel, Hanover; directors, A. Moir, M.B., Peterboro; C. L. Messecar, Brantford, and Adam Sieling, Hanover.

# *News of the Mines for the Investor*

## HEAVY TRADING IN NUMEROUS MINING ISSUES CONTINUES

### Cheaper Issues in Limelight Though Leading Producers Strong

For three weeks in succession there has been extended activity in the cheaper issues among the mining stocks. Special news has in each case fathered this interest. Transactions have been heavy and material advances in share prices have been the result. Trading of this nature is quite speculative, yet the merit behind the bulk of the issues involved has been such that to date the amount of profit taking has been negligible. Taking the past week from the standpoint of volume, it has been the heaviest since early in 1923. It has brought the general public more into the market than it has been for some considerable time. This is regarded as a good omen and if they are able to get a good run for their money and the professionals do not jump in to play hob with the market, some of the leading brokers express the opinion that they will stay in. Professional activities and manipulation has been blamed for weaning the public away from the mining list. The public has not been in the market to any extent for well over a year.

Keora was the centre of attention for the week, taking the place which Clifton occupied the week previous. There has been a steady accumulation of this stock going on for weeks, the buying being on the part of insiders who knew that important announcements were pending. The nature of the latter were not made public until this week, however, and resulted in a couple of points advance. There is still a heavy accumulation going on, the total transactions of the week being 511,300 shares. The announcement made by the officials of the company was such as to indicate a possible silver production in a short space of time.

#### Accumulate Clifton

Clifton continues to claim considerable attention. Profit taking carried the shares back somewhat from the high mark achieved on the heavy advance which followed the announcement that high grade had been encountered. Trading last week was 452,450 and this week it was even heavier, 604,900 shares. Important developments on the property are proceeding.

Bidgood has been the third important venture in the cheaper stocks to share the limelight. There has been an accumulation of this stock going on and an effort is being made to pool the outstanding shares. Other interests have tried to block this by advising clients to not enter the pool. The pool is understood to be a part of the plans of a syndicate which has purchased a block of stock outright and agreed to underwrite further shares. In all 437,000 shares have changed hands on the market in the past two weeks with the price moving up to 16 where it stood at the first of the week later easing off to 13½ and then recovering a point.

Kirkland Lake Gold figures in important trading during the week, opening at 45, easing a couple of points and then selling up to 47½, within a point of the high of the middle of January. It is understood that the recent flurry was due to two things. One that operations are getting close to the point where it is expected to cut an important vein on the 1,600-ft. level, but of more immediate interest was the annual meeting. It is understood that there are changes in the board pending and different interests out to capture these posts. Much the same contest will be staged in regard Beaver's board, this company holding a dominating interest in the former. It is understood that both factions are agreed on, J. B. Tyrrell, representing Anglo-French Exploration, having one seat, but are split on the others.

#### Crown Reserve Weaker

Crown Reserve has weakened somewhat selling down to 43¾ as compared with the year's high of early in January of 54½.

Dome bettered its position by $1 a share during the week, selling up to a new high of the year, $16.25. This is believed to be in anticipation of some important news which many expect from Manager De Pencier at the annual meeting.

Everett this week sold up to 9 cents. It is expected that accumulation is going on in anticipation of an announcement of new financing plans prior to undertaking diamond drilling of the property in Gowganda.

Hollinger continues to be absorbed at the rate of 3,500 to 5,000 shares weekly and there is a tendency of the price to firm. The annual meeting of the company is not far off and news of the power position of the company and the future dividend policy are both slated for discussion.

Kirkland Rand, suspended from trading on the Standard Exchange has been reinstated and two sales have since been recorded, each for 1,000 shares at the price reached at the time of suspension, 60c.

Lake Shore broke down 75 cents during the week later recovering to $5.60. There have been three fairly heavy weeks' trading in these shares, marking the time that $5 was passed and $6.10 reached. At the latter price the indicated return for the year would be 5 per cent.

La Rose has been a spectacular actor. The movement in these shares seems to savor a great deal of manipulation. Some of the leading brokers disagree, but there is a feeling that a pool has been operating between here and Montreal. If the latter is the case, speculators may expect breaks just as quick as they got the upward action.

Lorrain Consolidated has been moving up and down, since the recent break down to 12. There are rumors abroad which would indicate that considerable activity is soon to be expected in this issue. McKinley-Darragh is likewise the subject of rumors and the heavy accumulation of the past three weeks when 160,000 shares changed hands within a narrow margin, would indicate that something is brewing.

McIntyre is again above $18, the first time this year. This issue is coming to be regarded as one promising big returns for a long hold and at the same time having excellent dividend possibilities. This is taken to explain the steady accumulation that has made the stock somewhat scarce and worked the price up.

Teck-Hughes has worked back to 1.40 for a new high for the year. Trading in this stock has been heavy. The company is achieving excellent results in development and at the same time maintaining a fair rate of production. Its cash position is reported strong.

## CLIFTON OPERATION IS MOST PROMISING

The drift which Clifton is running on the 300-ft. level of the Provincial is now in 30-ft. and the character seems to be changing nearly every round. It looks decidedly interesting, say reports from Cobalt, and the feeling there is that the proposition may run into a consistent high grade shoot any minute. The drift is 4½-ft. wide and across the whole face of it, the ore runs a solid vein one round and a series of stringers the next. Present at all times, however, is considerable leaf silver, which makes the outlook very encouraging. The drift is being run west from the shaft.

In the early operations of the Provincial the shaft was sunk to this depth, the plan being to cut under the ore bodies which produced so well on the 175-ft. level, but lateral work was never undertaken.

### Arntfield Syndicate Obtain Good Results

MONTREAL.—Speaking of the 6,000 acres in Boischatel Township which are owned and being worked by the Arntfield Gold Syndicate, F. S. Arntfield told THE FINANCIAL POST that "much work has been carried on during the winter months and many encouraging results have been obtained. Preparations are now being made to put in a large gang of men to prospect in the newer areas which are owned by the syndicate. The assays have all been made on good widths and have yielded good results. At one point on the main break, the vein was uncovered for a distance of 530 feet and many assays were taken over a width of 17.5 feet—the average of all the assays totalled $5.11 to the ton. Recently a new formation was uncovered along the same strike, and the results to date have proved more than interesting. The average values over widths up to 15 feet showed an average gold content of $12 to the ton."

#### NIGHT HAWK

Night Hawk mine is offering $500,000 first mortgage 7 per cent. ten-year sinking fund gold bonds, due March 2nd, 1935, the purpose of which is the allotment of $200,000 to fund the indebtedness of the company, and the balance of $300,000 for development purposes. A common stock bonus goes with the bonds.

## HIGH GRADE SILVER PROPERTY ACQUIRED

Calcite Lake, a grass-root Gowganda proposition that achieved some fame in the early days of that camp, has been acquired by Keora. This is the important news that has been pending. The officers would have liked to hold back the announcement until they had the property de-watered and a chance to check up the representations made to them, but the clamor was so great that they relented and gave the details of their investigations on the first level, 100 feet.

This old property was worked in the early days, some 10 years ago. A death and litigation which followed tied up the property until it was almost forgotten. When operations were carried on, the proposition produced excellent silver values from the grass roots. In those days transportation was real costly with the result that good ore running 500 to 1,000 ounces was thrown on the dump and there it lays. The Keora people took up the property on the representation that they would get better than 1,000 ounce silver on all levels and the statement of Pres. W. Gunton is that ore of a much higher grade, it is said to be 3,000 ounces, was found. From 100 feet down levels are each 50 feet and it is understood that the second is now de-watered and the bottom of the shaft is being approached at 287 feet. Results obtained in the lower levels will be announced as soon as the proposition has been sampled.

Miners who knew the property in the early days, have stated to the writer that there is a six-inch vein of 3,000-ounce ore in the workings.

### Barry Hollinger Makes New Deal to Finance Effort

Barry Hollinger shares have been listed. This is a result of a deal with A. E. Moysey & Co. to put up funds to provide for further development and completion of the mill. The deal involves purchases of some treasury shares and options of others. The company still has about 150,000 shares of stock in its treasury. The Barry-Hollinger property is in the Boston Creek district and was formerly owned by the Patricia syndicate. James Dunn, president, was associated with the late Benny Hollinger, who staked the property originally.

### Crown Reserve's New Ore Shoot Shows Higher Values

Crown Reserve's new ore shoot on the 425-ft. level, averages 4-ft in width over a length of 80-ft. with average values of $14.32. Maurice Summerhayes, consulting engineer, told the shareholders at the annual meeting. This average content is double that of other parts of the mine. At the bottom of the winze, 80 ft., the main vein has been exposed for a length of 40 ft. averaging $8.13 in gold content. Mr. Summerhayes recommends that the shaft be sunk to 1,000 feet, and the level opened up at that depth. He stated that the mine looked much better at depth and fully expected as they developed deeper values would improve and ore shoots would lengthen. He also pointed out that the rake of the ore favors the Crown Reserve.

The building of the mill depends upon the development of the mine, but the impression was given that an early start would be made. He proposes to immediately prepare to develop the ore bodies on the upper levels for stoping and push development along the 675 and 800.

#### NIPISSING

Nipissing production in January, $132,906, is somewhat lower than usual. The annual clean up and repairs held production down. Nipissing shares are selling around 6.10 and give a yield of nearly 15 per cent. An interesting development program is being carried out in some of the unexplored sections of the company's property.

### MINING STOCK QUOTATIONS
#### WEEK ENDING FEBRUARY 24

| | Div. Rate | Yield Feb. 24 | High for wk. | Low for wk. | Close Feb. 24 | Close Feb. 17 | Sales for wk. | Range 1925 High | Range 1925 Low |
|---|---|---|---|---|---|---|---|---|---|
| Apex | .. | .... | 3½ | 3 | 3½ | 3¼ | 12500 | 6 | 2½ |
| Algonquin | .. | .... | 2 | 2 | 2 | 2 | 2000 | 2 | 1 |
| Argonaut | .. | .... | 44 | 41 | 41 | 41 | 83480 | 48 | 29 |
| Atlas | .. | .... | 4¼ | 4 | 4½ | 4½ | 63340 | 5 | 3¾ |
| Baldwin | .. | .... | 6 | 5½ | 5¾ | 5½ | 374875 | 7 | 2 |
| Beatty | .. | .... | 1½ | 1½ | 1½ | 1¾ | 49000 | 1¾ | 1 |
| Beaver | .. | .... | 34½ | 31½ | 33½ | 33¾ | 52100 | 35 | 26 |
| Bidgood | .. | .... | 16 | 13½ | 14½ | 15¾ | 202066 | 16½ | 5½ |
| Boston Creek | .. | .... | 6¼ | 5½ | 6 | 6 | 7000 | 7 | 4½ |
| Buckingham | .. | .... | 5½ | 4 | 5¼ | 5 | 126600 | 5¾ | 3½ |
| Can. Lorain | .. | .... | 45 | 42 | 44 | 47 | 7000 | 50 | 42 |
| Capitol | .. | .... | 36 | 32½ | 32½ | 35½ | 9900 | 37½ | 32 |
| Castle Tre. | .. | .... | 77 | 75 | 76½ | 76 | 13650 | 83 | 71 |
| Clifton | .. | .... | 25¾ | 20½ | 20¾ | 17½ | 604900 | 25¾ | 14 |
| Coniagas | 5 | 12.50 | 2.05 | 2.00 | 2.00 | 2.15 | 850 | 2.30 | 2.00 |
| Cons. Smelters | 6 | 2.35 | 68¼ | 66½ | 68¼ | 67¾ | 4000 | 72 | 48 |
| Cons. W. Dome | .. | .... | 18 | 16½ | 18 | 17½ | 156316 | 22 | 16 |
| Col. Kirkland | .. | .... | 7¾ | 5½ | 7¾ | 8¾ | 217750 | 10½ | 4 |
| Crown Res. | .. | .... | 47½ | 43 | 46½ | 47½ | 112650 | 54½ | 43 |
| Davidson | .. | .... | 2¼ | 2¼ | 2¼ | 2½ | 1000 | 4 | 2¼ |
| Dome Mines | 2.00 | 12.34 | 16.25 | 15.15 | 16.20 | 15.30 | 3830 | 16.50 | 13.25 |
| Everett | .. | .... | 9 | 7½ | 8¼ | 7½ | 151500 | 9 | 4¾ |
| Gifford | .. | .... | ½ | ½ | ½ | ¾ | 3000 | ¾ | ½ |
| Gold Reef | .. | .... | 1½ | 1¼ | 1½ | 1¾ | 24500 | 2 | 1¼ |
| Goldale | .. | .... | 20½ | 19 | 20½ | 19 | 45800 | 22 | 18 |
| Hattie | .. | .... | 2¾ | 1¼ | 1¼ | 1¾ | 304700 | 2¾ | 1½ |
| Hattie, p. | .. | .... | 65 | 58 | 60 | 65 | 4150 | 67 | 52 |
| Inter. Nickel, com. | .. | .... | 26¾ | 26¾ | 26¾ | 27 | 15 | 27½ | 25½ |
| Hollinger | 13 | 4.33 | 15.00 | 14.65 | 15.00 | 14.65 | 3960 | 15.65 | 14.40 |
| Hunton | .. | .... | 7½ | 6½ | 7 | 7½ | 14000 | 8½ | 4¾ |
| Inspiration | .. | .... | 9 | 9 | 9 | 7½ | 1000 | 10 | 7 |
| Indian | .. | .... | 7½ | 6 | 7½ | 6 | 54600 | 9½ | 5 |
| Keora | .. | .... | 19½ | 13 | 18½ | 13 | 511300 | 19½ | 9½ |
| South Keora | .. | .... | 23 | 20 | 23 | 23½ | 27500 | 26 | 20 |
| Keeley | 24 | 10.90 | 2.27 | 2.20 | 2.20 | 2.25 | 11105 | 2.32 | 2.12 |
| Kirk. Rand. | .. | .... | 60 | 60 | 60 | 60 | 2000 | 60 | 40 |
| Kirk. Lake | .. | .... | 47½ | 42½ | 47 | 44½ | 66900 | 48½ | 35 |
| Lakeside | .. | .... | 10½ | 9½ | 10 | 10¾ | 41200 | 15¾ | 9½ |
| La Rose | .. | .... | 54 | 39 | 50 | 38½ | 222865 | 54 | 7½ |
| Lake Shore | 20+5 | 4.46 | 6.10 | 5.25 | 5.60 | 6.00 | 15845 | 6.10 | 4.51 |
| Lorrain T.L. | .. | .... | 1.20 | 1.15 | 1.15 | 1.15 | 800 | 1.34 | 1.14 |
| Lorrain | .. | .... | 18 | 15 | 16 | 15 | 218550 | 20¾ | 12¾ |
| McIntyre | 20 | 5.50 | 18.15 | 17.70 | 18.15 | 17.70 | 9797 | 18.15 | 16.00 |
| McKinley | .. | .... | 23½ | 21½ | 22¼ | 23 | 43650 | 25 | 15¾ |
| Mining Corp. | .. | .... | 2.72 | 2.65 | 2.67 | 2.70 | 2000 | 3.16 | 2.55 |
| Moneta | .. | .... | 16 | 15½ | 15½ | 16½ | 1000 | 18¾ | 14¾ |
| Newray | .. | .... | 27½ | 26 | 27 | 26 | 15050 | 28½ | 25 |
| Nipissing | 12+6 | 14.75 | 6.25 | 6.10 | 6.10 | 6.30 | 985 | 6.80 | 6.10 |
| Night Hawk | .. | .... | .. | .. | .. | .. | .... | 49½ | 25 |
| Ophir | .. | .... | 7¾ | 7½ | 7¾ | 7½ | 81800 | 7¾ | 3 |
| Peterson L. | .. | .... | 9 | 8¾ | 9 | 9 | 12700 | 11 | 8¾ |
| Porcupine Crown | .. | .... | 6½ | 6 | 6 | 7¾ | 1500 | 8 | 4 |
| Premier Gold | 32 | 13.33 | 2.50 | 2.35 | 2.40 | 2.45 | 8050 | 2.57 | 2.15 |
| Preston E.D. | .. | .... | 9¾ | 9 | 9 | 9½ | 38000 | 12 | 9 |
| Teck Hughes | .. | .... | 1.42 | 1.37 | 1.40 | 1.38 | 67200 | 1.42 | 1.23 |
| Thomp.-Krist | .. | .... | 2½ | 2 | 2 | 2¼ | 27300 | 2½ | 1 |
| Timiskaming | .. | .... | 29 | 24 | 29 | 23 | 6100 | 29 | 20¾ |
| Tough Oakes | .. | .... | 40½ | 37 | 37 | 40 | 85150 | 45 | 36 |
| Trethewey | .. | .... | 18 | 17½ | 18 | 17¾ | 7750 | 19 | 16¼ |
| Skead | .. | .... | 17 | 15¼ | 15½ | 20 | 20000 | 20 | 15¼ |
| Victory Silver | .. | .... | 30¾ | 27½ | 30½ | 27½ | 45100 | 30¾ | 20½ |
| Vickers | .. | .... | 8 | 6¾ | 7½ | 4 | 12500 | 20½ | 4 |
| Vipond Cons. | .. | .... | 1.27 | 1.25 | 1.26 | 1.27 | 30590 | 1.42 | 1.25 |
| Wakenda | .. | .... | .. | .. | .. | .. | .... | 3½ | 1½ |
| Wasapika | .. | .... | 3¼ | 2¼ | 2¾ | 3 | 17800 | 3¾ | 1¼ |
| West Tree | .. | .... | 4¾ | 3¼ | 4 | 4½ | 76300 | 5 | 3 |
| Wettlaufer | .. | .... | 6¾ | 4¾ | 6 | 4¾ | 84700 | 16 | 4½ |
| Wright-Har. | 20 | 4.12 | 4.90 | 4.70 | 4.85 | 4.90 | 2850 | 4.95 | 4.15 |
| **Oil Companies** | | | | | | | | | |
| B.A. Oil | 8+2 | 6.25 | 40½ | 39¼ | 40 | 40 | 1587 | 41¼ | 37 |
| Imperial | 25c | 7.93 | 32¾ | 31½ | 31½ | 30 | 186 | 34½ | 30 |
| Inter. Pet. | 25c | .... | 27½ | 26 | 27½ | 25½ | 770 | 28¾ | 23½ |
| Mutual | 10 | 8.84 | 13¼ | 13¼ | 13¼ | 14 | 7 | 15½ | 12¼ |
| North Star, com. | .. | .... | 1.60 | 1.60 | 1.60 | 1.50 | 50 | 1.60 | 1.00 |
| North Star, pref. | 7 | 8.33 | .. | .. | .. | .. | .... | 4.25 | 3.90 |
| Continental | 25c | .... | 28 | 28 | 28 | 26 | 25 | 29 | 26 |
| Vac. Gas | .. | .... | 5 | 5 | 5 | 4¾ | 8500 | 5¾ | 3 |

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#### FIND ON OLD NIP. CLAIMS

A discovery has been made by Charles Stevenson in Dufresnoy Tp. on Dufault lake on the Watson claims, formerly held by Nipissing Mines and abandoned by them. The ore is chalcopyrite, reported to carry good values in gold.

# *Current Events in Banking World*

## A COST SYSTEM HAS REAL PLACE IN MODERN BANK

### Valuable Services Rendered Which Should be Paid For

By A. B. BARKER,
Manager, Toronto Clearing House.

*The real problem in bank administration to-day has to do with the cost of service and the imposition of fees which will take care of those costs and provide a fair margin of profit. In the keen competition between the different banks there has been a tendency to spoil the customers by providing, gratis, services which have a real value to the bank as well as to the customer. With increasing costs the necessity for securing a revenue for these services is becoming more and more pressing.*

*This is a problem for the branch manager as well as for head office. Suggestions from managers as to the best method to put these services on a reasonable paying basis would be a very valuable contribution in the consideration of the whole question. We have had some contributions—others would be welcome.—J. W. T.*

Section 93 of the Bank Act states that when a note or bill payable at any branch is discounted at any other branch of that bank, a commission not exceeding one-eighth of one per cent., with a minimum of 15 cents, in addition to the discount thereon, may be charged to defray the expenses of collection, and, when the item is payable at a point where the negotiative bank has no branch, a commission of one-quarter of one per cent. with a minimum of 25 cents. When the Act was last under revision, an attempt was made to reduce these rates of commission, but it was laughed out of court by Mr. Fielding. In practice, competition between banks had reduced these charges to the lower figures, even before the suggestion to limit them by law was made, and throughout the country these lower rates generally obtain.

In the United States, commissions on cheques drawn on outside points have long been conspicuous by their absence, and, before the advent of the Federal Reserve System, banks, in order to realize on out-of-town cheques without loss, used to route them through their agents for collection in a most round-about fashion. Under the Federal Reserve System, the Federal Reserve banks will clear out-of-town cheques for their members at par, and it is apparent that this was the idea of those who were desirous of limiting by law the rates of commission in Canada. During the agitation for the Federal Reserve System in the United States, one of the flamboyant arguments used was that it would make the cheque of a farmer good for its face amount anywhere in the country. This is true in a sense, but the theory has been referred to as "bunk," by one of the prominent American financial magazines, because by deliberately ignoring the cost of the operation, a totally incorrect impression has been produced.

**Paying for Service**

The cheque of a man living in Wisconsin may be good for its face amount in Georgia, but there is an expense connected with its realization by the Georgia payee, and this expense must be paid by someone. Court decisions in the United States have recognized the right of a bank to charge for its services in collecting such a cheque, in spite of the fact that the cheque may be cleared at par by the Federal Reserve Bank for the bank in which the cheque was deposited. Even if no charge were made, the payee would, under the regulations, be unable to use the funds for several days after he had deposited it, depending upon the length of time necessary for the Federal Reserve Bank to realize on the item. It would, probably, therefore, be more advantageous to him to pay a reasonable commission in order to have the prompt use of the funds, as is the custom under the Canadian method.

Trading customs in Canada and the United States, however, differ so widely in certain details, that comparison of the banking methods applicable to each system is difficult. In Canada it has long been the custom for dealers to draw on their customers for the invoice value of goods shipped to them, and to discount these drafts to finance their business requirements. This is not the American custom. In the United States the usual method is for the seller to carry the debt on open account, the purchaser remitting by cheque when the account is due, and therefore, the volume of drafts for collection, which is a feature of our system, is not in evidence across the border.

**Cost a Real Factor**

The operation of the machinery necessary to handle these drafts requires the services of a considerable percentage of the staffs of Canadian banks, and there is, therefore, a proportionate amount of expense directly chargeable to this part of the banking service.

Cost accounting in a mercantile or manufacturing business is usually designed to find the per item cost of either manufacturing or selling. In banking, cost accounting has not progressed to the same extent in Canada as it has in the United States, largely due to the difference between the systems, one being chiefly the single unit bank, and the other a branch system, each bank having one main office and numerous branches, and organized to handle a trading system differing from the other in methods of settlement. Under the former it is comparatively easy to devise a cost system, but under the latter the variety of conditions which must be allowed for make the problem difficult. Some banks in Canada have, however, worked out the cost of operation on the per item basis, apportioning the overhead expenses to each class of service, according to its importance, and to the legal responsibility incurred by the banks. Details are naturally not available, but, from the best information obtainable, the cost to the bank of operating a current account works out at roughly five cents per cheque, while savings cheques passed through a bank cost between eight or nine cents. The cost of handling each draft deposited either as collateral, or lodged for collection by a customer, works out from 26 to 28 cents, and the cost of issuing a draft at about 10 cents. These costs include stationery, salaries of the staff, and the proper proportion of overhead. Also this per item cost is the same for a draft of $10 as for one of $1,000. In merchandising, the invariable rule is that the lower unit dealt in, the higher must be the percentage of profit. Cigars retailing at three for 50 cents will be sold singly at 20 cents apiece, and this is considered quite fair, but in banking the general attitude is that the smaller the item the lower the charge should be, and it is thus quite possible for an account with a volume of small items for collection, and carrying the minimum charge, to be a source of loss instead of profit to the bank.

**Entitled to Profit**

Banks are, like other business organizations, intended to yield a profit from their operations, and this profit must be sufficient to cover all expenses, provide for depreciation, as well as pay interest on the deposits, and provide a reserve after paying reasonable dividends to their shareholders. In other words, banks are entitled to the same consideration as other forms of business endeavor, and are entitled to charge a fair price for the services they render the business community.

With lower rates for the commodity in which they deal credit due to the lessened demand, the question of cost of operation is becoming more serious, and, as has been the case in the United States, the banks in Canada will, in the not distant future, instal cost systems and methods of analyzing accounts, to show more accurately the detailed cost of operation. When this is done, there is little doubt but that there will be a general stiffening of rates, and if it can be shown that the increased charges are justified, those who desire the service will pay the price without grumbling, if satisfied no one else is able to get the service for less. No one seems to object to the rates charged by express companies or the post office for money orders, and these agencies do a larger remittance business in small or moderate amounts than do the banks, yet the bank charges are the same or lower.

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## The Development of Currency in Canada

In connection with the Imperial Bank's issue of new bank notes commemorating the bank's fiftieth anniversary the story of the development of currency in Canada has been again recalled. How in the earliest days when Canada was known as New France, beaver skins and other furs, wheat and tobacco were accepted in trade for want of a better circulating medium. The next step was when the French government introduced a system of "ordonnances" and card money which quickly fell into disrepute through depreciation. After the British occupation of 1763, the British government introduced the dollar, importing large quantities of Spanish dollars for the purpose. In the year 1812 the first government bills were introduced and about 1817 the first bank note made its appearance. The Bank Act as passed by the Canadian Parliament in 1871 authorized banks to issue notes for $4 or more and we still have at head office a few specimens of our $4 notes issued under date of March 1, 1875, which were at one time in actual use. Notes of $4, $6, $7, $8, and like amounts were at one time quite common. For many years now the Bank Act has restricted the issue of bank notes to the $5 denomination and multiples thereof.

## Staff Gossip

J. Nelson Pugh, of Strasbourg, has been appointed manager of the Union Bank here.—News, Wolseley.

* * *

Sydney bachelors were hosts recently at a dance in honor of George Clark, who recently received notice of his transfer from the Sydney office of the Canadian Bank of Commerce to the supervisor's department of the bank at Halifax.—The Record, Sydney.

* * *

Stanley Wedd, who for some time past has held the office of assistant manager of the Dufferin Ave., Sherbrooke, branch of the Canadian Bank of Commerce, has left for Toronto to assume his new duties as inspector at the head office of the bank.—The Record, Sherbrooke.

## Exchange

NEW YORK FUNDS

| | High | Low | Last Year High | Last Year Low |
|---|---|---|---|---|
| Feb. 19 | 3-32 | 3-32 | 3 1-16 | 2 3-32 |
| Feb. 20 | 3-32 | 3-32 | 3 5-32 | 3 3-32 |
| Feb. 21 | 1- 8 | 1-32 | 3 3-16 | 3 1- 8 |
| Feb. 23 | 1- 8 | 1-16 | 3 7-32 | 3 3-16 |
| Feb. 24 | 1- 8 | 3-32 | 3 9-32 | 3 7-32 |
| Feb. 25 | 3-32 | 3-32 | 3 13-2 | 3 9-32 |

STERLING, FRANCS AND LIRE

| | Sterling Dem. | Francs Demand | Lire Demand |
|---|---|---|---|
| Feb. 19 | 4.76½ | 5.23 | 4.01¼ |
| Feb. 20 | 4.76½ | 5.23¼ | 4.10¼ |
| Feb. 21 | 4.75⅝ | 5.18¾ | 4.09¼ |
| Feb. 23 | 4.75⅝ | 5.18¾ | 4.09¼ |
| Feb. 24 | 4.76 | 5.19 | 4.05 |
| Feb. 25 | 4.75⅝ | 5.41¼ | 4.03¾ |

P. B. Yates Machine Co., Hamilton, has enough work on hand to keep going until June, working full time, including Saturday afternoons.

## 5 ROWLEY BROTHERS AND FATHER BANKERS

### Remarkable Story of Banking Achievements of Nova Scotia Family

The promotion of C. W. Rowley, from the position of superintendent of the Manitoba and Saskatchewan branches of the Canadian Bank of Commerce, to be an assistant general manager at Toronto, brings the Rowley family, with a record unique in banking, again into prominence. Mr. Rowley, his father and his four brothers have all been bankers.

The father, the late J. W. H. Rowley, of Yarmouth, N. S., an Englishman by birth, came from a long line of ancestors, including Sir Joshua Rowley, Admiral of the Blue, and the Rt. Rev. Samuel Horsley, D.D., Lord Bishop of Rochester, St. David's and St. Asaph, respectively. He settled in Nova Scotia in 1844, and soon after became cashier of the Bank of Yarmouth on its establishment. Subsequently, he became manager of the newly formed Maritime Bank of the Dominion of Canada, at St. John, N. B., but, not approving of their methods, resigned, returned to Yarmouth, and for some forty years held the office of manager of the Dominion Government Savings Bank at that point. His five sons, all of whom entered the banking business, subsequently attained prominent positions, and, as a family, they have probably given more high officials to Canadian banks than possibly any other in Canada.

W. H. Rowley was for years manager of the Merchants Bank of Canada, at Ottawa, which position he resigned to become secretary-treasurer of the E. B. Eddy Company on its re-organization, and at his death in 1915 he was president of that company.

G. B. Rowley was in the service of the Bank of Montreal. He was shot in the foot by the accidental discharge of a gun, while in the service of the bank, at Moncton. He went to St. Thomas Hospital, in London, for treatment. On his release from the hospital, being of a roving nature, he went to Sydney, Australia, where he obtained a position in the crown lands department and where he died some thirty years ago.

H. H. Rowley, who was manager of the Bank of British North America, at Rossland and Brantford, left that institution to accept the management of the Union Bank of Canada, at Ottawa. He was subsequently appointed manager at Victoria, where he died suddenly some two years ago.

O. R. Rowley was chief inspector of the Bank of British North America, and in 1916 was appointed superintendent of eastern branches of that institution. Since the amalgamation of the Bank of British North America with the Bank of Montreal, he has been inspector of the latter institution at head office.

C. W. Rowley, the youngest son, who has just received the Toronto appointment, has been in the service of the bank for 37 years and has lived in the west for 27 of those years.

Mr. Rowley first went to Winnipeg in 1898 as accountant; at that time F. H. Matheson was then manager, to be followed a little later by Mr. Aird, now Sir John Aird, president and general manager of the bank. In 1902, he was sent to Vancouver, but remained there only a few months, being sent to Calgary as manager of the branch there. In Calgary, Mr. Rowley was founder and president of the Canadian club of that city and president of the board of trade. In 1911, he returned to Winnipeg as manager of the main branch and was subsequently appointed superintendent of Manitoba and Saskatchewan.

## January Bank Debits Showed An Increase

OTTAWA.—The bank debits of Canada during January, 1925, as reported to the Dominion Bureau of Statistics by the Canadian Bankers' Association, showed an increase of 2.4 per cent. over the corresponding month of last year. The January debits were $2,230,036,277 as compared with $2,177,586,166 in the first month of 1924. The debits in December, 1924, were $2,824,661,224, but on account of the seasonal character of business in Canada, the significant comparison is that with the same month of the preceding year.

The bank clearings in January were $1,410,002,198, representing an increase of 1.6 per cent. over the corresponding month of 1924.

## Weekly Bank Clearings

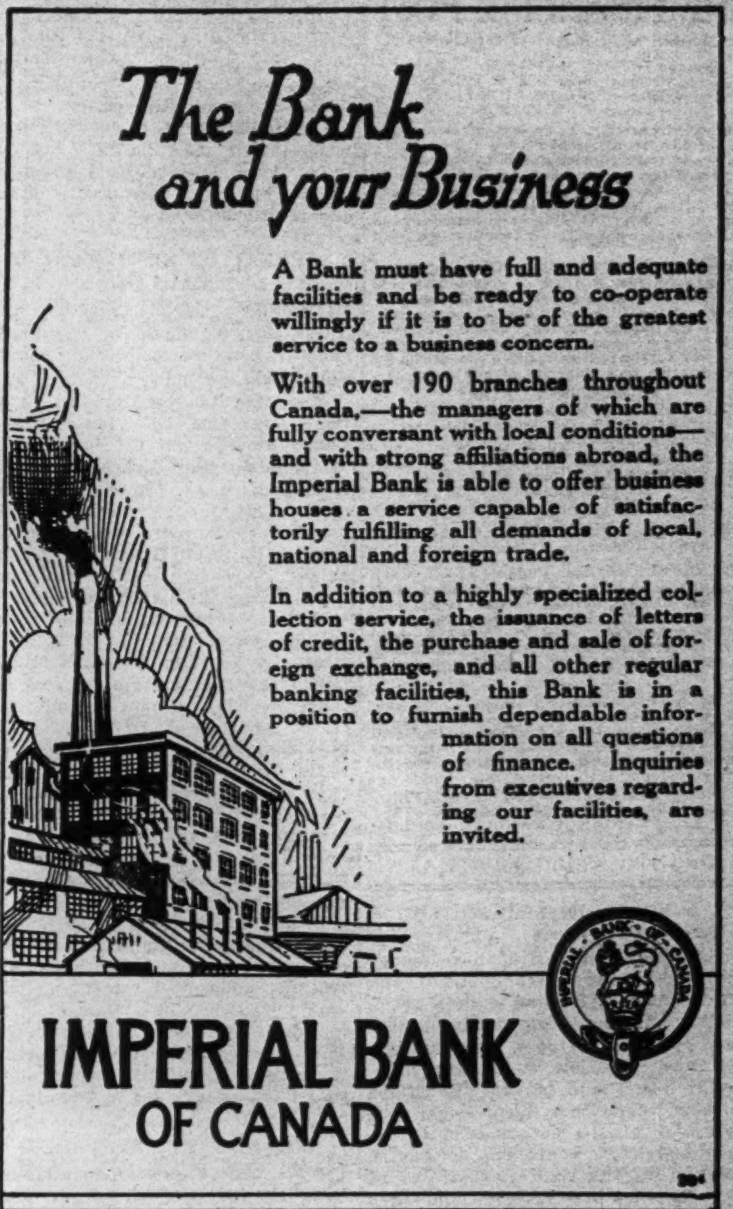
(In comparison with the same week last year.)

EASTERN CITIES

| | Feb. 22, 1924 | Feb. 19, 1925 |
|---|---|---|
| Halifax | $ 2,302,532 | $ 2,816,724 |
| St. John | 2,283,880 | 2,432,890 |
| Moncton | 712,649 | 657,661 |
| Quebec | 4,690,848 | 4,550,289 |
| Sherbrooke | 659,077 | 751,273 |
| Montreal | 86,054,922 | 92,379,438 |
| Ottawa | 5,978,831 | 5,477,476 |
| Kingston | 471,047 | 570,897 |
| Peterboro | 677,698 | 758,007 |
| Toronto | 81,788,601 | 84,942,111 |
| Hamilton | 4,410,276 | 4,090,925 |
| Brantford | 712,526 | 717,124 |
| London | 2,999,544 | 2,454,410 |
| Kitchener | 782,556 | 913,574 |
| Windsor | 2,120,308 | 2,696,789 |

WESTERN CITIES

| | Feb. 22, 1924 | Feb. 19, 1925 |
|---|---|---|
| Fort William | $ 657,935 | $ 677,041 |
| Winnipeg | 34,471,957 | 40,167,466 |
| Brandon | 496,606 | 559,693 |
| Regina | 3,087,086 | 3,069,122 |
| Moose Jaw | 1,045,066 | 961,509 |
| Saskatoon | 1,364,276 | 1,345,123 |
| Prince Albert | 354,866 | 325,870 |
| Lethbridge | 408,624 | 404,299 |
| Calgary | 6,987,920 | 5,818,065 |
| Edmonton | 3,786,068 | 3,739,281 |
| Medicine Hat | 304,219 | 250,139 |
| New Westminster | 484,631 | 571,512 |
| Vancouver | 14,861,953 | 14,021,000 |
| Victoria | 2,390,544 | 1,984,000 |


The Bank and your Business

A Bank must have full and adequate facilities and be ready to co-operate willingly if it is to be of the greatest service to a business concern.

With over 190 branches throughout Canada,—the managers of which are fully conversant with local conditions—and with strong affiliations abroad, the Imperial Bank is able to offer business houses a service capable of satisfactorily fulfilling all demands of local, national and foreign trade.

In addition to a highly specialized collection service, the issuance of letters of credit, the purchase and sale of foreign exchange, and all other regular banking facilities, this Bank is in a position to furnish dependable information on all questions of finance. Inquiries from executives regarding our facilities, are invited.

IMPERIAL BANK OF CANADA

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**ABSORBING MOLSONS BANK**

WINNIPEG. — Managers and inspectors of the Bank of Montreal and of the former Molsons Bank from Manitoba as well as from the head of the lakes section attended conferences to discuss the new situation as a result of the Bank of Montreal taking over the Molsons Bank. Over fifty officers were in attendance at the various meetings and they with their wives attended the several social functions given in their honor by local officials of the bank.

Two Miles Under the Sea

DESPITE herculean obstacles interposed by Nature, man has conquered the elements and penetrated many hundreds of feet below sea level to reclaim the rich coal deposits which have lain there for centuries, for the use of Canada and the world at large.

At the entrance of Sydney Harbour is located one of the largest of these submarine coal mines owned and operated by the British Empire Steel Corporation. It is two miles off shore and three square miles in area. In this vast mine, a great engineering feat of gigantic accomplishment permitted the driving of galleries, laying of tracks, installation of power, and the provision of air, light, food and water, so that armies of miners might work under the same comfortable conditions as prevail in the numerous land coal mines of the Corporation.

While the British Empire Steel Corporation's yearly output of coal totals the tremendous amount of 6,000,000 tons, 70% of this coal is recovered from the Corporation's submarine mines. And it is estimated that future generations will use none but submarine coal. Coal reserves owned by the Corporation are approximately 6,000,000,000 tons, which vast figure gives a clear conception of the illimitable value of coal deposits held by the Corporation. Yet coal mining is but one of the manifold activities of this organization. For instance, in their manufacture of steel products of every description, every unit of process comes from their own holdings or is manufactured by the British Empire Steel Corporation itself—

—From ore to finished product all within the Empire.

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CORPORATION LIMITED
CANADA CEMENT BUILDING MONTREAL, CANADA

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THE FINANCIAL POST HAS THE LARGEST PAID CIRCULATION OF ANY CANADIAN FINANCIAL PAPER

TORONTO, FEBRUARY 27, 1925

## A TIP FROM THE SOUTH

CANADA'S tourist industry is bringing millions of new money into the country. We doubt if any other business returns such a satisfactory margin of net profit in relation to the drain upon the country's resources. Tourists are usually satisfied to look at our natural attractions without depleting them—even the activities of the enthusiastic fishermen and hunters are not serious in relation to the total populations of our streams and forests—and they are more anxious to exchange their dollars for service and entertainment than for raw materials.

The tourist business is only in its beginning for Canada—if proper methods are employed to encourage it. Undoubtedly we can learn something from experiences of other countries; the following item is from a Florida newspaper:

> The tourist can be a profitable person indeed. The only thing that must be avoided is the overcharging of the willing spenders. This is indeed all too prevalent and will always react, sooner or later, to the detriment of the resort so overcharging. Auto tourists, especially, are a clannish bunch, and once a location gets the reputation for "milking" the passing public then the tourists avoid that locality as the plague.

This is a tip from Florida which should be taken seriously in Canada. Not only do we want our visitors to come back again, but the most effective advertising our resorts can have is the spoken good word of those who have been there. And on the other hand nothing will be more effective in killing off the tourist crop if our visitors go away disgruntled and spread the story that they have been overcharged for supplies or entertainment.

## "VARSITY'S" IDEA OF AMUSEMENT

WHEN Premier Taschereau at the "bonne entente" dinner in Quebec referred to the university debate which had carried a resolution that "the French-Canadian is a menace to national unity," he did not mention the college in which it was held. He gave it as illustrative of the kind of thing that tends to create discord between the peoples of the two provinces. Referring to this THE FINANCIAL POST, in expressing regret, went no further as regards particulars than did Mr. Taschereau; no inquiries were made to find what university was referred to. Readers will, therefore, no doubt be interested in the information which has been supplied by "Varsity," the undergraduate newspaper, that it was the University of Toronto that offended—and the offense is frankly admitted. We quote in part:

> Without discussing in detail Premier Taschereau's speech, we are prepared to admit this much—that the subject was chosen perhaps unhappily and unwisely—by undergraduates who were endeavoring to secure a subject which would arouse interest and provide amusement for the debaters and the audience. It is quite evident that they thought that the subject would be taken in the spirit in which it was decided upon, knowing full well the utter absurdity of questioning the known fact that those of French descent are Canadians and citizens of the Dominion of Canada, just as much as those of English, Scotch, Irish or German descent, are Canadians and citizens of this country. This should explain why such a subject was chosen.
>
> Concerning the importance of the debate, we should like to state that its influence was quite negligible. A mere handful of undergraduates of one college attended it; to the average student of the university it was entirely unknown. There certainly was not attached to it the importance which Premier Taschereau believed it had at the time he referred to it; we venture to say that if all the circumstances were explained to him he would admit quite readily that he had misconstrued the whole situation.

Varsity then declares that the incident was "too unimportant to discuss," and accuses THE FINANCIAL POST of going out of its way to criticize the officials, faculty and students of Toronto University. We will leave the decision with our readers—merely pointing out that Premier Taschereau's remarks were little short of a sensation at a big interprovincial gathering of leaders in public and business life, and that in THE FINANCIAL POST'S reference to the incident which prompted them no reference, direct or indirect, was made to Toronto University.

We would repeat, however, that the whole affair does indicate how our universities may be used to spread ideas which can only create discord and retard national progress.

## APPEAL ON SENTIMENT IS FAULTY

WHY does Canada buy less than $2,000,000 worth of Australian goods when we sell that country $25,000,000 worth?

This was the question which Dr. Page, treasurer of the Australian Commonwealth put before a number of Canadian Club audiences recently. He appealed to Canadian business men as citizens of the British Empire to consider more the general welfare of the Empire and to promote as far as possible better trade relations among its respective parts.

While we are all anxious to see greater exchanges of products between Canada and Australia and between the countries in general that form the Empire, can we hope to do it on sentimental grounds? Will a business man buy Australian currants at a cent of two cents higher than Grecian because they come from a sister nation? He knows if he does someone else will undersell him and he will have to go out of business. To compete he has to find the cheapest market, quality considered.

So that if Australia wants more of our business, the proper selling methods must be adopted. Sentiment alone will not suffice, as Canadian Grocer very well points out. Canada is falling down in trade with many countries because of some weakness in the sales appeal. The same applies to Australian exports to Canada.

## CARDS ON THE TABLE

SAYS the Telegram, of Toronto: "THE FINANCIAL POST has so far pailed to produce one fact or figure to support the claim that the average rate charged by private ownership in Montreal is lower than the average rate charged by the Hydro system in Toronto." The Telegram asks that all the cards be put on the table.

Here are the cards in the form of figures supplied by the Montreal Light, Heat and Power, as they were published in THE FINANCIAL POST of December 12. In 1923, the last year for which comparative figures are yet available, the gross revenue of the Montreal Light, Heat and Power Company from power sales, (with the exception of export power) was $8,908,003, or $8,307,778 after deduction of the proportion of taxes chargeable against the electrical system. There was sold a total of 678,455,296 kilowatt hours making the average cost to the consumer 1.224 cents per k.w.h. In Toronto, the gross revenue of the Toronto Hydro-Electric System was $7,085,172, obtained from the sale of 392,367,546 k.w.h. of energy. The average return per k.w.h. was 1.80 cents. The difference in favor of Montreal was over half a cent.

Export power sales have not been included because the rate is admittedly too low for fair comparison, and because the power is not sold in Montreal. Taxes have been deducted because the Toronto system makes no tax return to the citizens; however, the tax deductions affect the figures only a fraction.

The Telegram states that it would be glad to publish any correction of its own statement on comparative power rates. What has it to say in answer to this comparison of the Montreal company?

THE FINANCIAL POST is just as anxious that Ontario power consumers should know just what their power is costing them as is the Telegram.

## EDITORIAL NOTES

LEGISLATION is suggested by a Western Progressive "to prevent the present practice of issuing what is known as watered stock." But what is "what is known as watered stock"?

* * *

THE Ohio Bell Telephone Company has just completed an economic survey and announces that Ohio will increase in population by 50 per cent. within the next quarter century. It is upon the accuracy of this survey that the company bases part of its expansion programme, which contemplates expenditures of $60,000,000 in the next five years. This is only one state. The story is the same everywhere. There's no blind groping on the part of big business when it comes to spending money. Government might do well to plan as carefully.

* * *

IT HAS been proposed that in addition to the new three cent a gallon gasoline tax in Ontario there should be some additional levy on tourists. This fool idea should be forgotten instanter. Ontario will lose enough tourists through the imposition of the tax alone—in addition to the higher charge already made for gasoline in this country—without offending our visitors by imposing a further charge for our "hospitality." Anything which will discourage tourists coming into the country is poor business.

# World Financial Figure Once Minister in Ontario Village

## Herbert N. Casson, Whose Name as a Writer on Business and Investments is Known Both Sides of Atlantic, Formerly Preached in Fullarton and Hensall

There is a magazine published at No. 4, Lincoln's Inn Fields, London, England, known as The Efficiency Magazine, which is studiously read by those who wish to know what is going on in British business circles and who want an insight into British business methods, thoughts and ideas. This magazine is edited by Herbert N. Casson, the London, England, representative of the Wall Street Journal.

Herbert N. Casson has established for himself a reputation on both sides of the Atlantic as a writer on business, finance and investments. It has remained for the St. Mary's Journal-Argus to bring to light that he is the son of the Rev. Wesley Casson, who was pastor of the Trafalgar Street Methodist Church, Mitchell, Ont., from 1887 to 1889, and that Herbert Casson himself was pastor of the Methodist Church at Fullarton, Hensall, and Owen Sound about 1900.

### A Colorful Career

Further details of his interesting career have been supplied by Supt. Race of the Ontario School for the Blind, who formerly knew him intimately:

Herbert N. Casson has had a varied career, leaving the ministry of the Methodist Church, in which he was engaged for about three years, preaching in Fullarton, Hensall and Owen Sound, as the assistant of Rev. Dr. Hincks, now of Toronto. For a short time he preached on Boston Commons to working men, thousands of whom gathered to hear him every Sunday. His reputation as a preacher spread so far and wide that correspondents from various cities in the United States went to hear him, giving first-hand reports of his wonderful success with the working classes of Massachusetts. After leaving Boston he entered upon a journalistic career in New York city, which extended over many years. During this time he was a regular writer for the New York Journal, and he contributed many articles to numerous magazines. These articles dealt with a wide variety of topics. During these years he found time to write several books, the best known of which are the "History of the Telephone," the "Romance of Steel and Iron," and the "Romance of the Reaper." The last mentioned book he wrote in the McCormick cottage, St. Augustine, Florida. His services as a lecturer were in great demand, not only in the United States, but in Europe, where he appeared on different occasions.

Just before the war broke out, Mr. Casson went to England, where he established "The Efficiency Magazine" at 4, Lincoln's Inn Fields, London. He is the leader of the Efficiency Movement in Great Britain, and has written altogether sixteen books and two courses of study, and has a big practice as a consultant on business problems. He had been one of the founders of Scientific Management in the United States, and he had not been in Great Britain long before he had introduced it in sixty-seven mills and factories.

Some further high-lights of Mr. Casson's colorful career can be given briefly:

Won fame as a preacher to working men on Boston Commons.

Was business editor of the New York World for four years.

Was right-hand man to Frank A. Munsey, founder of Munsey's Magazine, for three years.

Made report on thirteen factories of the International Harvester Co.

Wrote the "Romance of the Reaper" and "The Life of Cyrus Hall McCormick."

Investigated the steel plants of England, Germany and America and wrote the "Romance of Steel"—the story of a thousand millionaires—one of the most fascinating books of its kind ever written.

Was efficiency expert for the Bell Telephone System and wrote the "History of the Telephone."

Partner of Harrington Emerson—the famous efficiency expert.

Was joint founder of the H. K. McCann Advertising Co., which had a turnover of $1,000,000 in its second year. Sold out to H. K. McCann.

Was sales and advertising manager of the Standard Oil Co. for three years.

Reorganized Merchants' Association of New York.

Wrote "Ads and Sales," the first advertising book ever used in the universities.

How Mr. Casson is regarded in England is indicated by the press comments:

Tit-Bits:—"Mr. Herbert Casson is the world's most eloquent business orator, as well as one of the greatest living efficiency experts."

The Weekly Dispatch:—"Mr. Casson is one of the world's greatest business experts. He is also the most extraordinary speaker in London to-day. He electrifies his listeners. He has a voice like a clarion that simply stabs the air with its pungency; and what he says is sharp and decisive. He talks in a sort of verbal shorthand, and cuts all superfluities out of his sentences. He comes straight to the point, and his gospel is 'Get busy; do things.'"

### Give But Never Lend

Mr. Casson's fascinating style as a writer is indicated by a few paragraphs entitled "Give But Never Lend," from his latest book: "How to Keep Your Money and Make It Earn More."

At the risk of being called hard hearted, I am going to say a few things that need to be said, about the danger of lending money to friends.

It would have saved me quite a bit of money and half a dozen friends, if some kind writer had told me these things thirty years ago.

The fact is that as soon as you are known to have money, you find yourself with a new set of difficulties.

Then come the parasites.

An encyclopedia could be written on these parasites. They are of all sorts and ranks. They range from the half-drunken whiner at the curb to the bishop in his gorgeous robes.

They are relatives, friends and strangers. They are women as well as men. They are honest as well as dishonest. They are deserving as well as worthless.

But they all want to take away your money—make no mistake about that.

Parasites all. Beautiful women, with the faces of saints. Dignified gentlemen with the manners of courtiers. Nephews and nieces and uncles and aunts. All with their hands out and their eyes on your pockets.

There is no known way of detecting a parasite, until the revealing moment comes, when he suggests that you should transfer some of your money from your pocket to his pocket.

There is no known way of escaping either the respectable beggars or the disreputable ones. Many a business man has had the shock of his life to find that his own son has been bred with the instincts of a beggar.

But there is an eternal war on, between the builders and the beggars, in this world. It is a fight to a finish.

The beggars overthrew the Roman Empire, and they have become so strong in the British Empire that no one can tell, at the moment, how the fight will end.

Every business man who is a builder is surrounded by beggars just as a lion in the jungle has his jackals waiting about to steal what he leaves.

Happy is that builder who marries a woman who also has the spirit of a builder. He is sure of a success that shall not be broken down.

But as for the builder who marries a beggar. God pity him! No matter how strong and clever he is, he will be pulled down in the end.

As soon as you have any money in the bank, you must not become hard hearted, but you must learn to say "No."

It is fully as hard to keep money as it is to get it—every rich man knows that.

That is why rich men, as a rule, are so uncompanionable. They are compelled to be always on their guard. They almost develop quills, like a hedgehog. And no wonder!

## Mr. Roger Babson

Ottawa Journal.

Seeking to buttress his contention that his government's "beneficient rule" had made Canada prosperous, high living costs, high taxes, increased debts and unemployment to the contrary notwithstanding, Mr. King quotes the opinion of Mr. Roger Babson, "the great American economist." That will surely make Mr. Babson laugh. For that gentleman, who has found much prosperity in collecting statistics, has too much Yankee humor not to feel the relish of this new baptism.

Mr. Babson will be remembered by many in Ottawa as the "economist" who came here a year or two ago and left us the prognostication that Mr. Henry Ford would shortly be lamenting that he hadn't actually given away his existing stock of motor cars—or something to that effect. Henry, being a little shrewder than Roger, didn't take the advice; and so far as can be judged from present sales and prices of Fords, has no particular regrets.

Mr. Babson is a typical product of the United States—useful in his way. He is one of those super-Babbitts who long since discovered that rich Americans and Chambers of Commerce will listen to—and buy—the most extraordinary nonsense; a lot of figures judiciously mixed with a splash of Chautauqua optimism, what our American neighbors call "a moral lift" at the end. That, in its way, is a useful thing; but it is a little amusing to hear the Prime Minister of Canada referring to Mr. Babson as "that great American economist." Really, the Premier of Canada ought to have more regard for his office.

# Scott Nearing's Radical Ideas

An Editorial from the Manitoba Free Press.

Professor Scott Nearing, who has been delivering a number of addresses here, was described by Mr. Ivens at Sunday's meeting as one of the leaders in the labor educational movement in the United States, and as having been brought here because it was desirable to stimulate interest in a similar movement in Canada and to establish a labor college in Winnipeg. Canadian labor—the general body of it, at least—is not likely to endorse any educational movement propagating ideas that go the length of those presented at these meetings.

Professor Nearing, before he got through his address and answering questions afterwards, stood out as the advocate of education of the workers leading up to the time when they would take forcible possession of everything and establish the new system under which private ownership of capital would be eliminated. He suggested that with this object in view the educational and organization work should include work among the police and the military forces so that, when the time came, they would co-operate rather than resist the great coup that would be made.

For a so-called educational leader Professor Nearing might have been expected to compare the present system with that which he advocated, to admit that something was to be said for it even if he thought the balance of the argument was against it. But he could see nothing in it but a system of economic bondage and stressed the abuses of the "capitalistic" system. The value of initiative, enterprise and skill in management, in increasing production of all kinds and the benefit to the world by the supplying of its needs to a greater extent in this way, were overlooked. No mention was made of the impressions of Emma Goldman and other American and British advanced Socialists who visited Russia after private capital was abolished.

Professor Nearing represented capital as holding control of all our institutions—the press, legislatures, schools, churches, etc. He did not state that the press, the legislatures and public opinion in general, unite in curbing the rapacity of corporations whenever that seems necessary; nor did he mention the heavy taxation by the legislatures of the incomes from invested capital, the steep succession duties on large fortunes, etc. That the Canadian courts are independent in their administration of justice has been pretty well demonstrated during the past year by the large number of men of prominence and wealth who have been sent to penal institutions.

It would have been very much in order for Professor Nearing to have discussed both sides of his subject, particularly when he charged the present educational system with giving a biased view in favor of the present economic system.

## A FANTASTIC UTTERANCE

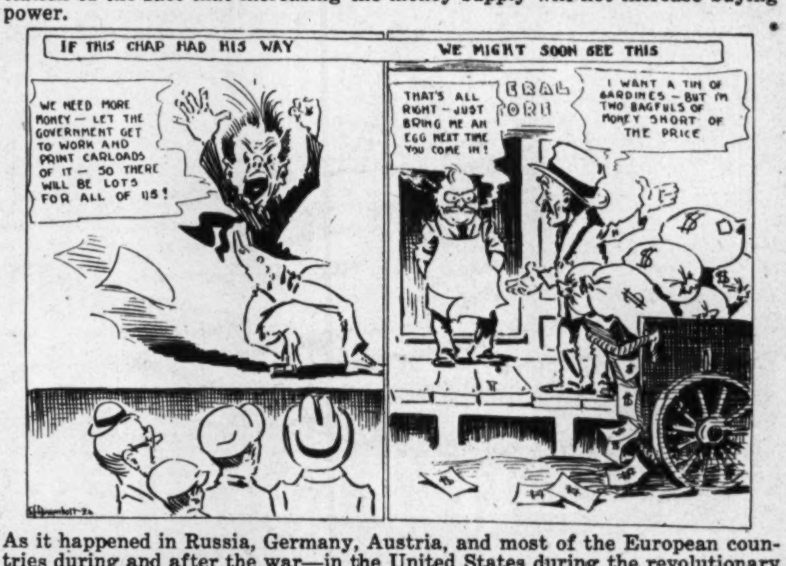
(Winnipeg Tribune)

Many who heard Mr. Scott Nearing expecting some serious criticism of the League of Nations, albeit from a labor standpoint, must have been profoundly disappointed. The ex-professor of Pennsylvania University, now a prominent Socialist, lectured on "A League of Nations or a League of Industries" but his only reference to the former was to dismiss it with contempt as an impossible proposition.

In brief, Mr. Nearing's argument was as follows: the political divisions which separate nations are to-day meaningless; they originated at a time in the world's history when nations were economically self-contained. National boundaries have been fixed haphazard "like streets which follow an old cowpath." These boundaries are "silly" and must give place to industrial or economic divisions, which are the only true ones. As to how this is to be done Mr. Nearing had little to say, but suggested it would come through nations following the lead of Soviet Russia.

## THE FARMERS AND "SOFT" MONEY

A cartoon from the Grain Growers' Guide, which indicates Western appreciation of the fact that increasing the money supply will not increase buying power.


IF THIS CHAP HAD HIS WAY
WE NEED MORE MONEY — LET THE GOVERNMENT GET TO WORK AND PRINT CARLOADS OF IT — SO THERE WILL BE LOTS FOR ALL OF US!
WE MIGHT SOON SEE THIS
THAT'S ALL RIGHT — JUST BRING ME AN EGG NEXT TIME YOU COME IN!
GRAL ORB
I WANT A TIN OF SARDINES — BUT I'M TWO BAGFULS OF MONEY SHORT OF THE PRICE

As it happened in Russia, Germany, Austria, and most of the European countries during and after the war—in the United States during the revolutionary and civil war periods—in France during the revolution, and at various other times in modern history.—Grain Growers' Guide.

# Auto Prices Down—Materials Up

By LEONARD P. AYRES, Vice-President Cleveland Trust Company.

During this quarter of a century the automobile has been getting constantly better, and progressively cheaper, despite the fact that the raw materials entering into it have greatly advanced in cost. This amazing result has been brought about by enormous advances in the efficiency of motor manufacture. When my first car was built, the rate of output in automobile and parts' factories was equivalent to each workman producing one car in eight months. Now it is equivalent to each worker turning out a car in one month. In the entire history of industry there is no achievement comparable to that of the American automobile industry for rapidity of expansion, improvement in the quality of product, and advance in the efficiency of operation. Two questions present themselves for answer. The first is: What has been the cause of this amazing development? The second is: Can comparable progress continue in the future?

My own opinion is that the explanation for the insatiable demand for more and better automobiles is to be found in the fact that the automobile is the most inherently competitive article ever manufactured. I do not mean merely that the industry is competitive; I mean that every automobile is always in competition with every other automobile.

The number of families in this country is about 27 million, and the number of automobiles in use is about 17 million, so there are still large opportunities for salesmanship before this margin will have been covered. Included among these families are many thousands that will own more than one automobile, and, in addition to them, are commercial and industrial firms that will use many more thousands. On the other hand, there must be subtracted from them hundreds of thousands of families that cannot own even a single machine. These include the indigents, many southern negroes, mountain whites, recent immigrants, and large numbers of soldiers, sailors, fishermen, lumbermen, lighthouse-keepers, and others who are poor sales prospects. It seems probable that the maximum number of automobiles that the United States can use is not far from equal to the number of families in the population, and that selling new machines will become progressively more difficult as that number is approached, and the influence of diminishing returns becomes more keenly operative.

Forecasts of output for the industry in 1925 have been numerous and most diverse. They have ranged from a minimum of 2,500 000 passenger cars and trucks to a maximum of 5,000,000. My own estimate is that the total output will probably be about 3,600,000. The year 1925 will mark the completion of the first quarter of the twentieth century. During this period, the American automobile industry has achieved an unparalleled record in expansion of output, improvement of product, and reduction of cost. My own belief is that this has been made possible by the inherently competitive nature of the automobile itself.

The industry has now entered a period in which the number of possible new first-purchasers is rapidly diminishing, and in which the potential replacement demand is being cut down by the increasing length of service that is being built into the new machines. This combination of conditions clearly constitutes a hazard for the future of the industry, and that thrusts forward the question as to how the problem can best be met and crowded for solution.

Now there are clearly two sets of qualities of automobiles that make for continuous competitive comparison. The first is the combination of economy and convenience, and in supplying these the Ford has gone so far that it is almost within the bounds of accuracy to say that it has pre-empted the field. The second set of qualities is the combination of appearance and performance, and in this direction there is an open and boundless field.

So long as the automotive engineers can continue to design new machines featuring genuine improvements, the normal citizen will continue to be imbued with intelligent discontent toward his present car and covetous desire for a new and better one. As long as that keeps on, the export market will grow, the problem of the traded-in car will never become quite hopeless, the dreaded saturation point will recede still further into the future, and the industry will continue its triumphant march forward.

## W. S. Gifford is Bell System Head at Forty

A frequent visitor to Montreal these days is W. S. Gifford, the new president of the American Telephone and Telegraph Company, the parent company that embraces in its organization the domain of Bell Telephone Companies over the contingent. Gifford became a director of the Bell Telephone Company of Canada last year.

W. S. Gifford will be forty years old this year. He has attained to virtually the peak of influence in his company in twenty-one years. When he left college in 1904 he wrote to the Western Electric for a job, after having turned down a good position with a bank that was friendly to his father. He got the job and went in as a bookkeeper in Chicago. A few years later he went to New York where he came under the attention of Harry B. Thayer, then important in the A. T. & T. and the Western Electric, and later occupant of the post Mr. Gifford now fills.

In his New York job of assistant secretary-treasurer of the Western Electric, he started the habit of saving facts of interest about the company and out of this grew the company's bureau of information. Out of an investigation he made for Theodore N. Vail, of the telegraph traffic on the company's lines, grew the night letter and the day letter. Out of a scheme he worked up for his brother to buy A. T. and T. stock on partial payments, assisted by a bank loan, grew the employee ownership scheme of the company and its numerous subsidiaries.

During the war, Gifford became director of the National Service Council of the United States government and later head of the National Defence Council, having been loaned by his company for this public service. He came back to the A. T. and T. as comptroller and later as executive vice-president, from which post he made his final jump last year to the job of president.

Gifford's rise is largely due to his ability to store away facts that he draws on, with imaginative facility, when information is needed.

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# *Investors' Inquiries*

Questions of general interest submitted by subscribers of The Financial Post will be answered in this column, in which case only initials will be used. Other inquiries will be answered by mail. A three-cent stamp should be enclosed to cover a direct reply.

### DOME-TECK HUGHES

J. W. C., Maritimes.—What is your opinion of Dome and Teck-Hughes? Should one switch from the latter?

If you read our issue of January 23 you will find a fairly detailed reference to Dome Mine. This, we believe, will give you the very latest information available. You will find two articles, one in the Mining Section and one on page 1. Teck-Hughes is carrying on a very aggressive development program, and it will take some considerable time for them to bring this to completion. Their plans then are to build a new mill. This proposition is very well regarded, and we don't know of any speculation which you could switch into which would give you a better chance.

### MARITIME LIFE

P. B. X., St. John.—I have been approached to take a twenty pay life policy in the Maritime Life Assurance Company. The agent informs me that all their policies are on the "non profit" plan with the initial premium about 25 per cent. less than on the "with profit plan." I am further told that the company operates under the Insurance Department Ottawa, and has the usual government deposit.

While the Maritime Life Assurance Co. is one of the smaller Canadian insurance institutions, it maintains its proper deposits and reserves under the department of insurance, and can be regarded as quite sound from the standpoint of taking out the policy you mention.

We believe you will find the "non-profit" plan quite satisfactory. It appeals to those who are chiefly concerned with insurance, as compared with those who would combine insurance with an investment under the profit-sharing plan.

### FRASER COMPANIES

F. T., Fort Fairfield.—Please advise if you consider the new issue of Fraser Companies 6 per cent. first mortgage sinking fund gold bonds as a good investment. Would you say they are a conservative investment?

Fraser Companies ranks among the better corporation bonds because of the good margin of security and earnings afforded as protection for principal and interest payments.

The question of continuity of management is always an important consideration in any industry. Generally speaking we would feel that when a corporation has established close banking connections, as Fraser Companies have done in the past few years, it is a factor of strength in that it brings in to the companies' affairs interests who will want to give continuity to its progress apart from any ownership interests they may have. There then exist two groups, the owners of the business and their bankers, who are interested in its progress and prosperity.

### BETTER GAMBLE AT HOME

Reader, Montreal.—Would you advise an investment in Beloil Oil of New York and Oklohama? I am offered shares.

Our files do not contain information on the Beloil Company, of New York and Oklahama. This is purely an American proposition, and we find it very difficult to gather information on such concerns. However, we would lay down the general principle that we have advocated for some considerable time, that if Canadians want to speculate or gamble with their funds, they could not do better than to put them in the mining stocks, which would help their own country and keep the funds in the country, where one is familiar with the laws governing certain speculations. Of course, there is also the added factor that the oil industry in the United States is very much over-developed, and that in the past year or so a great many small independent companies have been forced out of busines, losing their leases and often very valuable producing wells, because they could not sell the oil, and could not get money for storage, and to pay their very heavy rental charge.

### STERLING TRUSTS

N. C., Hamilton.—I would thank you to give me any information you have regarding the Sterling Trust Corporation. I an interested to the extent of some forty shares and have been offered another block of twenty at a price that would make the lot stand me at about par of $100 per share. I have a fairly good opinion of the stock myself but would like disinterested backing of my judgment before investing further.

While the position of the Sterling Trusts Corporation was to some extent impaired by the association of interests with the Standard Reliance Mortgage Corporation, we understand that the trust company courageously adjusted its affairs to a rock bottom basis, and is now progressing satisfactorily. Not only has there been a substantial measure of recovery in the company's affairs, but there is every reason to believe that this recovery will be continued, and that with a return to more satisfactory conditions, generally, the position of the shareholders will improve.

You do not say at what price the stock has been offered. As in any other transaction, the price is the important factor. As this stock is not listed, it is difficult to get quotations, and the only quotation we have noted recently was by one of the unlisted dealers at a price of 70 offered and no bid.

### PLACING FIRE INSURANCE

Reader, Ont.—An estate owns a very considerable property, consisting of stores and dwellings. The fire insurance is over $50,000. I have been using several non-tariff companies, as the rates are about 15 per cent. cheaper than the C.F.U.A. companies. I wrote over $35,000 for a manufacturing company, all in non-tariff companies and recently received a request from the company that I allow all policies to expire, as they had an insurance expert look over their policies and he had stated that the companies carrying their insurance were mostly very small ones and that "we would be forever and a day in collecting our losses should a fire occur." In this connection I would like your advice. The estate insurance all comes through my agency and I would be held at least morally responsible for any trouble if a disastrous fire should occur and the estate have trouble in collecting their losses. These non-tariff companies are all "licensed to do business in Canada" and carry the usual government deposit—but that might mean very little should they have a long term of hard luck or two or three large losses and I have never felt quite contented in taking out insurance for the estate. Is it worth while to save that 15 per cent. and take the risk and the possible worry, or would you carry a small proportion (which I am doing now) in non-tariff companies?

In placing your insurance with tariff companies you have a number of safeguards in the fact that every company which is a member of the association must measure up to certain standards and charge rates which are considered by the rating bureau as adequate.

The record of stability of these companies is certainly favorable. In the case of non-tariff companies you do not, of course, obtain the assurance that every company will measure up to the high standards enforced by the association. At the same time it is well to remember that there are many excellent non-tariff companies with a big volume of assets, which write business along sound lines. It is a matter largely of selecting proper companies. There are many companies which cannot be called large but which are regularly licensed to do business and maintain the usual deposits. These are ordinarily regarded as safe for insurance in moderate amounts as, in case the company in particular got into difficulties, it is usually possible to reinsure the business on the books satisfactorily. The one contingency is the possibility of these companies being heavily involved in a general conflagration.

Where you are placing a large volume of insurance the conservative policy is naturally to spread it around among a number of companies.

The Provident Insurance Company operates under a provincial license in the provinces of Quebec and Ontario, and maintains the deposits required by those departments. The Toronto Casualty Company, fire and marine insurance company, started business in 1921 with an Ontario license and maintains the deposits required by the Ontario Department. The Merchants Fire Insurance Corporation of New York was incorporated in 1910 and has been operating in Canada under a Dominion license since 1917. At the close of 1923 the total assets in Canada were $227,478 and the liabilities $109,655. The Pacific Coast Insurance Company first started in 1890 and has operated under a Dominion license since 1908. At the close of 1923 the assets were $1,233,831 and the liabilities $424,801. The New Jersey Insurance Company was incorporated in 1910 and has operated under a Dominion license since 1918. On December 31, 1923, the total assets in Canada were $101,901 and the total liabilities in Canada $70,116. The Cornhill Insurance Company was incorporated in 1905 with head office in London, England, and has operated in Canada since 1922. The assets in Canada on December 31, 1923, were $117,643, and the total liabilities $72,239. The Underwriters at American Lloyds was founded in 1890, and has held a Dominion license since 1910. The assets in Canada at the close of 1923 were $89,742 and the liabilities $30,323.

There is nothing to indicate that these companies are not satisfactory for moderate amounts of insurance, but, of course they are not in the class of large companies.

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### BULLARD LEAVES DRYDEN

H. F. Bullard, who for the last two years has been manager of the Dryden Paper Co., Dryden, Ont., has accepted a position as assistant to Maurice Hoopes, president of Finch, Pruyn & Co., Inc., of Glen Falls, N.Y., and will enter upon his new duties in the course of a few weeks. Some eight years ago Mr. Bullard became associated as chemist with the Laurentide Paper Co., at Grand Mere, Que., leaving that concern to manage the pulp and paper plant at Dryden.

# LOAN COMPANIES HELPING FARMERS

## President of Western Homes, Limited, Tells of Improved Conditions in West

Satisfaction with the definite progress made by Western Homes, Ltd., during 1924, as indicated in the annual report, was expressed at the annual meeting of shareholders held at Winnipeg. The low cost of operation as revealed by the profit and loss statement was particularly well regarded. Net profits of $57,947 compared with $48,974 in 1923. Dividends including income tax amounted to $53,346 and the remainder was carried forward, the balance being $31,611. Following are comparative figures:

| | 1924 | 1923 | 1922 |
|---|---|---|---|
| Net profits ..... | $ 57,947 | $ 48,974 | $ 44,296 |
| Bal. forward .... | 27,010 | 24,241 | 15,391 |
| | $ 84,957 | $ 73,215 | $ 59,687 |
| xDividends ...... | 53,346 | 46,205 | 35,446 |
| Surplus ... ..... | 31,611 | 27,010 | 24,241 |
| | $ 84,957 | $ 73,215 | $ 59,687 |

xIncome tax included.

The president, Willis Argue, struck an optimistic note at the annual meeting, based on his observation of farm operations during the year and gradually improving world conditions. The company's collection results indicated that farmers had made considerable progress as the result of the higher prices now obtaining for grain. He stated that city collections had also improved and that arrears at the end of 1924 were very small.

Mr. Argue dwelt on the part mortgage companies with investments and faith in the West had played in helping to keep farmers on the land during the recent years of depression. Now as the result of this co-operation between the companies and the farmers many of the latter were in good positions to take advantage of improving conditions.

## Montreal Loan Added Further to Its Surplus

Profits of the Montreal Loan and Mortgage Co. were well maintained in 1924, being slightly less than in 1923, but higher than in 1922. There was a substantial surplus after paying dividends of 12 per cent., and a bonus of one per cent. and $50,000 was added to the reserve fund. The balance carried forward was $31,118. Following are comparative figures:

PROFIT AND LOSS

| | 1924 | 1923 | 1922 |
|---|---|---|---|
| Net profits ..... | $ 85,319 | $ 86,236 | $ 83,674 |
| Bal. forward .. . | 73,799 | 65,563 | 59,890 |
| | $159,118 | $151,799 | $143,564 |
| Dividends ... . | 78,000 | 78,000 | 78,000 |
| Reserve ... .... | 50,000 | ...... | ...... |
| Balance ... ..... | 31,118 | 73,799 | 65,663 |
| | $159,118 | $151,799 | $143,563 |

Seven Years' Record

| Year | Paid-up Capital | Profits | Div. | % Profits Av. Cap. | Ern. Rt. |
|---|---|---|---|---|---|
| 1924 .. .. | $600,000 | $85,319 | 12+1 | 14.2 | 5.6 |
| 1923 .. .. | 600,000 | 86,236 | 12+1 | 14.3 | 5.9 |
| 1922 .. .. | 600,000 | 83,674 | 12+1 | 13.9 | 5.7 |
| 1921 .. .. | 600,000 | 87,318 | 12+1 | 14.5 | 6.0 |
| 1920 .. .. | 600,000 | 92,150 | 12+1 | 15.3 | 6.6 |
| 1919 .. .. | 600,000 | 87,931 | 10+1 | 14.6 | 6.6 |
| 1918 .. .. | 600,000 | 85,965 | 10+1 | 14.3 | 6.4 |

The reserve fund now amounts to $850,000 compared with paid-up capital of $600,000. Liabilities to the public amount to $261,488. Total assets amount to $1,766,606 of which mortgages on real estate represent $1,737,932.

## Canada Permanent Trust's Higher Profits

Net profits of the Canada Permanent Trust Co. for 1924 of $80,146 showed a substantial increase over the $74,552 reported for 1923. After the payment of dividends and adding $20,000 to reserve the balance was increased by over $10,000 to $16,249. Following are comparative figures:

PROFIT AND LOSS

| | 1924 | 1923 | 1922 |
|---|---|---|---|
| Net profits ...... | $ 80,146 | $ 74,552 | $ 70,833 |
| Bal. forward .... | 6,103 | 1,551 | 718 |
| | $ 86,249 | $ 76,103 | $ 71,551 |
| Dividends ... ... | $ 50,000 | $ 50,000 | $ 50,000 |
| Reserves ... .... | 20,000 | 20,000 | 20,000 |
| Balance ... .. | 16,249 | 6,103 | 1,551 |
| | $ 86,249 | $ 76,103 | $ 71,551 |

Seven Years' Record

| Year | Cap. | Paid-up Profits | Div. | % Profits Av. Cap. | Earn. Rate |
|---|---|---|---|---|---|
| 1924 | $1,000,000 | $80,146 | 5 | 8.0 | 6.6 |
| 1923 | 1,000,000 | 74,552 | 5 | 7.4 | 6.3 |
| 1922 | 1,000,000 | 70,883 | 5 | 7.0 | 6.1 |
| 1921 | 1,000,000 | 65,134 | 5 | 6.5 | 5.7 |
| 1920 | 1,000,600 | 75,289 | 5 | 7.5 | 6.7 |
| 1919 | 1,000,000 | 63,672 | 4 | 7.3 | 6.1 |
| 1918 | 259,000 | 19,412 | . | 7.5 | 6.2 |

The balance sheet shows assets of $9,893,971 compared with $8,021,172 at the end of 1923.

# Maritimes Want Grain to be Moved by Canadian Ports

OTTAWA.—The Maritime provinces are making a strong bid for the routing of Canadian grain for export over Canadian railways and the delivering of it to Canadian ports. They base their case chiefly on the argument that this was one of the purposes in the building of the Intercolonial and more especially in the building of the Grand Trunk Pacific, the National Transcontinental and the converting of the Canadian Northern into a transcontinental. Nor is it any secret that several bills having to do with the Grand Trunk Pacific and the Canadian Northern contain reference to the fact that this traffic should follow all-Canadian channels.

What the Maritime provinces are now up against apparently is that since the war the grain traffic has taken to new channels. In its report the Turgeon Grain Enquiry Commission in referring to the various routes that this traffic takes, says:

"We are now in a position to point to certain conditions which govern the flow of grain during the course of the year to these ports. The American harvest matures several weeks earlier than the Canadian. As a result the advantages of the St. Lawrence route attract heavy shipments from American lake terminals to Montreal. By the time the flow of Canadian grain begins to assume volume a large part of the American export of grain has been accomplished. On the other hand, on account of the lateness of the Canadian crop, the end of the grain shipping season is approaching on the St. Lawrence before it does at the head of the lakes. This fact is of great significance as explaining partly why so much Canadian grain goes via New York and the other American North Atlantic ports.

"When the flow of Canadian grain is still vigorous, navigation on the St. Lawrence ceases. Commonly it closes about two weeks earlier than navigation on the Great Lakes. Hence the flow of grain for this latter period is deflected towards Buffalo or the Georgian Bay or lower lake ports from whence it will move to tide water by rail. The end of the season finds these Bay, lower lake and Buffalo elevators filled with grain which will move out gradually during the winter. The grain-carrying fleet on the Great Lakes takes a final cargo for winter storage and a large part of this fleet ties up at Buffalo for the winter. When spring comes, their grain is discharged and moves out chiefly via New York.

"In the spring movement one additional factor is of importance. During the winter the Bay ports and Buffalo elevators have become emptied of their stock in store. The first movement of grain down the lakes in spring is to these ports as the most expeditious route to tide water. It will thus be seen that the explanation for a large movement of American grain through the port of Montreal and a large movement of Canadian grain through New York and other United States Atlantic ports rests chiefly on seasonal changes affecting the St. Lawrence route.

"It might reasonably be enquired why there is not a considerable movement of grain from the Bay ports to St. John and Halifax. At present there is some movement in that direction, and at St. John the movement appears to be growing. The obstacles to a larger movement appear to be high freight rates and partly the absence of available cargo space offering at low rates at these seaports. As we have pointed out above, grain is an excellent basic cargo. As traffic grows at Halifax and St. John, a large quantity of cargo space will offer regularly for the transport of grain. When this occurs more grain should move during the winter months through these ports. Lately Halifax has been put on the same insurance basis as New York. This removes one factor that has militated against her in the past."

## Current Opinion

### OCEAN RATES A BUZZ SAW

Nelson News:—Shipping is an international business and very much of a law unto itself, and if Canada starts monkeying with this particular buzz saw it is very likely to lose a finger or two, in the shape of lost business for Canadian ports and railways.

### FOR AN EARLIER SESSION

Manitoba Free Press:—Parliament should meet earlier—about a month earlier than this year—the license to talk should be materially curtailed, and important legislation should all be brought down in good time. Then parliament will get ahead with its business a great deal better and it will demonstrate that the session is regarded not so much as an occasion for party warfare as for attending to the serious affairs of the country. And it would find that this was a very popular move.

### WHAT'S THIS?

Ottawa Citizen:—It would make no difference to the general trend of the level of prices, including ocean freight rates, whether the directors of the shipping lines were the most altruistic business men or even socialistic bishops. The rising price level is due to something else than the mere desire of grasping capitalistic operators to exploit Canada. It is simply one expression of the growing hiatus between prices and the amount of money available among the people as consumers to pay for the goods and services which they produce and require.

### THE VISION OF $2 WHEAT

Lethbridge Herald:—Without in any way desiring to put a damper on the feelings which high prices of wheat will occasion, it must be said that the glamor of present prices should not lead the West to be obsessed with the growth of wheat, taking, as it would, a gambler's chance and losing the substance for the shadow in neglecting proper farming methods. There is much for thought in what has been written and much of benefit to be derived by farmers not losing their heads over the vision of two dollar wheat, however helpful it may temporarily prove to be. Like other booms there is danger in the wheat boom where common sense and intelligence are abandoned in the race for what is visioned.

### REFORMING THE SENATE

Vancouver Province:—But there is a real reform of the Senate, yet to be undertaken, which will greatly interest and benefit the public. Such a reform would make of the Upper Chamber a great assembly of elder statesmen—men who, by experience and achievement in commerce, in literature, in manufacture, in invention, in public service, and philanthropy have won notable places in national and world affairs. By scorning the arts of the demagogue some of these might have made themselves ineligible for popular election, and that, heretical as it may sound, might constitute one of their qualifications for the post. Such a course in a decade would make the Canadian Senate one of the most useful and impressive legislative bodies in the world.

A senate so reformed would never need reform. It might, indeed, because of its superiority to the House of Commons, make the need of a reform of that body obvious.

### FARM AND OTHER FAILURES

Regina Post: When one considers the number of business failures in this country in the course of a year, what he must realize is that agriculture is not the only industry in which adherence to sound business methods and judgment is frequently wanting. There is incompetence in every walk of life—and in a competitive age incompetence means failure.

A certain type of farmer has apparently convinced himself that he alone is receiving a raw deal when the consequences of incompetence are visited on him; and that some special protection should be thrown about him. A man who goes into the retail business and makes a failure of it is merely getting what is coming to him; but the man who goes on the land and mismanages a farm is the victim of a faulty economic system!

We don't think that doctrine will hold much water. The Montreal Star's correspondent has the right idea, when he says that to be profitable, farming must be conducted as intelligently as any other competitive business.

### NO TIME FOR RECIPROCITY

Winnipeg Tribune.— The American farmer is now looking only to his home market. He is prepared to reduce his production to the requirements of the American people provided he is insured against outside competition and can obtain satisfactory prices. He is prepared to allow the manufacturer the same protection to make the home market a profitable one. The manufacturer looks at it in the same light. In brief, the United States economically has become a unit, with the home market all-important. The tariff issue in that country is dead.

We in Canada may not approve of this policy. We would like the privilege of competing in the American market with our grain and livestock. But we are not consulted nor likely to be. The American farmer has turned protectionist. He is just as anxious to keep Canadian products out as Canada farmers are to get them in.

Reciprocity would be a nice word for the Western Liberals to play with in the coming elections, but it can be nothing more than a political gesture.

## Learn

Analyzing and describing over 50 leading Canadian issues, the Greenshields Catalogue gives all the facts an investor would wish to know about them. Copy on request.

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## Personal

AUGUSTUS P. BURRITT, one of the senior members of the Toronto Stock Exchange, and for two years, 1906-7, its president, died rather suddenly during the week. He was head of the firm of stock brokers who bore his name and enjoyed a wide business connection. As a young man he achieved fame as an oarsman and won the junior single scull championship and rowed on the winning team that won the junior four championship of Canada in 1892. He belonged to York, Toronto Golf, Toronto Hunt, Ontario Jockey and Ontario Skating clubs.

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## Town of KENORA, Ont.
## TENDERS FOR DEBENTURES

Sealed Tenders addressed to the undersigned and marked "Tenders for Debentures" will be received up to noon Monday, March 9th, 1925, for the purchase of the following debenture issues of the Town of Kenora:

By-law No. 864, $32,000. 5½%, 30-year, Sinking Fund Public School Debentures, dated October 1st, 1924, due October 1st, 1954.

By-law No. 872, $5,000. 5½%, 30-year, Sinking Fund Public School Debentures, dated December 1st, 1924, due December 1st, 1954.

The Municipality reserves the right to reject any or all tenders.

Full particulars will be supplied upon application.

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Next to United States Government, State and municipal bonds and a few of the highest grade corporation securities, the investor in the "States" ranks the bonds of Canada and her great provinces and larger cities. Many States permit savings and trust funds to be invested in such bonds and thousands of other institutions and private investors are in the market for bonds of the provinces and cities of the Dominion.

Public officials in charge of provincial and city finance and bond dealers with securities to market, should not overlook this market in the "States" when seeking buyers for Canadian municipals. Embraced in your bond sales publicity campaigns should be publications circulating in financial circles in New York, Boston, Philadelphia, Chicago, Cleveland, Detroit, St. Louis, and other investment centers of the U. S.

There are in the United States many excellent financial publications. There is one logical place in which to advertise a provincial or municipal bond offering. That is—

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# *News and Views of Bond Market*

## FEW NEW ISSUES AND DEMAND LOW IN HOME MARKET

### Local Investor Disinterested in Lower Yield Than Five Per Cent.

The absence of new issues coming into the Canadian market, and the fact that three substantial issues have gone to other markets recently, combine to produce a bareness of offerings which is rather unusual at this time of year. That one of these issues went to New York and another to London suggests the beginning of a new era of competition between the world's two leading capital markets, and there is strong reason to believe that this competition will increase as the pound returns to stabilization at par. While the general level of the Canadian market is still around 5 per cent., there is a persistent tendency towards lower yields. The scarcity of new issues has enlivened demand for balances of recent provincial and city bonds. Victories also have scored a gain.

The leading event of the week was the placing of the $10,000,000 Province of Quebec, long term 4½ per cent. issue in the New York market at a yield of approximately 4.76, which sugested a demand for Canadian bonds in that market without the yield stipulation held out by Canadian investors. It may be assumed that these issues will be in demand in the New York market for some time. The fact recorded in another column that the New York Stock Exchange has introduced a new schedule of data which is required of all countries wishing to borrow in the United States market, indicates a more careful analysis of foreign issues. This should add to the prestige of the Canadian offerings which will presumably be subject to these new requirements just the same as those of any other foreign borrower.

**Issues Have Sinking Funds**

It is worthy of note that the Province of New Brunswick, which will enter the market this week for some $800,000, is the third province with current offerings which has full sinking fund requirements. The businesslike policy of these provinces which build up an adequate sinking fund is a recommendation of their issues to the investing public, who are beginning to realize the significance of criticism levelled at municipal or civic bodies which fail to carry an adequate sinking fund. This feature of a loan is being more and more emphasized both in the United States and Canada. The province of Quebec advertised the fact that a full sinking fund was being carried, and Quebec got the cheapest money that has been obtained in Canada since the war.

## B.C. Tax on Debenture Interest Being Protested

VANCOUVER.—The policy of British Columbia in levying income tax on debenture interest is being protested, and Vancouver Board of Trade is being urged by members to have representations made to the government with a view to bringing about a change. The contention set up is that such interest is in the same category as that on borrowed money, and payment must come out of profits. It is, therefore, an item of business cost the same as any other operating or overhead expense. On the basis of this contention the tax is termed iniquitous, as it must be paid irrespective of whether or not a profit is shown. The tax is collected at the source and it is contended that an individual outside of the province holding bonds of a company operating in British Columbia, derives revenues on which he pays no taxes to the provincial government. The federal government collects from the recipient. The opponents of the tax say the principle of taxing interest on borrowed money is absolutely wrong. The Board of Trade has named a commission to investigate.

### SELL PARISH BONDS

MONTREAL.—L. G. Beaubien and Co. are offering a $200,000 bond issue of the parish of St. Augustin. The parish is situated in Notre Dame de Grace, within the city limits of Montreal.

The issue matures serially between 1926 and 1960 and pays interest at the rate of 5½ per cent. They are being sold to yield the investor 5.25 per cent.

## Further Decree in Collar Suit Affecting Converters

From Our Own Correspondent

MONTREAL.—Press despatches from New York indicate that the final decree of the injunction upholding the patent under which Van Heusen collars are manufactured has been handed down in favor of the Phillips-Jones Corporation, manufacturers of Van Heusen collars.

In Canada, the Van Heusen is manufactured by Canadian Converters, who are expected to take action against other Canadian collar manufacturers following the American litigation.

## SINKING FUNDS ARE QUITE INADEQUATE

### Bond Dealers' Association Urges Provinces to Make Provision for Debt Payment

In accordance with a resolution passed at the last executive committee meeting of the Bond Dealers' Association, a letter has recently been addressed to the premiers of the various provinces urging upon them the importance of the provision of an adequate sinking fund for the retirement of their existing debts.

During recent years the leading investment houses here and abroad have been emphasizing the importance of this method of bond retirement. Of late a much more critical attitude has developed on the part of British and American purchasers of our bonds, and there has been an increasingly marked tendency to look carefully into the sinking fund status of the various federal, provincial and municipal issues, even by domestic buyers. Unfortunately many of our provinces and myriads of our municipalities have fallen behind in this respect, and this in time will impair their credit standing unless the situation is remedied.

It is with this in view that the Bond Dealers' Association is urging improvement of the sinking funds. Their recommendation is that at least one per cent. per annum on the amount of the existing funded debt be allocated to each issue, and that a like sinking fund be applied in the case of all future provincial issues. They urge further that all sinking funds be placed under the control of special trustees to administer them. In the past, some of the provinces have been setting aside one-half of one per cent., but this would not establish a fund adequate to retire the obligations. In this respect, British Columbia maintains a sinking fund which most nearly approximates requirements. Quebec, Alberta and New Brunswick, also keep their sinking funds in a relatively satisfactory condition. It is felt, however, that there is room for improvement all around, and that an immediate rectification of the deficiency on the part of certain of the provinces is necessary to retain their present credit standing.

## Winnipeg Electric Calling in Bonds

Funds for the redemption of the Winnipeg Electric Company's issue of $3,250,000 general mortgage and collateral 6 per cent. bonds were secured by the sale of $6,000,000 six per cent. 30-year refunding mortgage bonds in the New York market last November. The company has sent out a request to bondholders to present their bonds on the 1st of March for repayment.

At present the company is in direct competition with the Winnipeg Hydro Electric System, but a conference was held recently between the officials of the two organizations with a view to dividing the field up so that there would be no direct competition. It is understood that a satisfactory arrangement was arrived at. This involves the withdrawal on the part of the Winnipeg Electric from the business of retailing electric energy within the city limits, and similarly the withdrawal of the Hydro Electric from retailing power outside the city. The latter is to purchase from the company, in bulk, all the energy which the present customers of the company within the city are taking, while the Winnipeg Electric will similarly take over the energy of the Hydro outside the city.

### I.O.F. BOND PURCHASES

The investment board of the Independent Order of Foresters in January bought bonds to the extent of about $415,000. These included: $259,000 of government, $30,000 of counties, $102,000 of cities and $25,000 of school bonds issued by cities. Four new mortgage loans were proved aggregating $16,900. The loaning rate was 6½ per cent.

### TAX SALE SMALL

The smallest tax sale on record in Toronto for many years took place last week when out of 1,601 parcels of land listed for sale, only 93 were sold. Out of the complete list showing a total value of $183,531.99, taxes amounting to $126.125.28, representing 1,178 parcels of land, were paid before the sale was advertised. Payment was also made on 257 parcels worth $39,437.89 after they were advertised.

### MANITOBA'S HIGHWAYS

A bill introduced in the Manitoba legislature by Hon. W. R. Chubb, Minister of Public Works, makes provision for the establishment of a 1,500 mile trunk highway system covering virtually every part of the province.

## FOREIGN BONDS MUST SATISFY ACID TEST

### New York Stock Exchange Institutes New Requirements for Sale of Foreign Bonds

On account of the radical increase of the sale of foreign bonds in the New York market during recent years, the New York Exchange has decided to set up standards of safety, the requirements of which must be met by these bonds before they are listed. This information will be accessible to the general investing public. A refusal by the exchange to list any particular bonds would practically mean that they would have no market in the country.

The action of the Exchange is the result of protracted consideration. Since the United States has become a leading creditor nation, numerous countries which were never before borrowers on the world markets are rushing in for funds for internal development. These foreign loans may soon exceed $2,000.000,000. It is, therefore, evident that there must be some safeguard for the investor, particularly as a number of countries during and since the war have had great difficulty with their finances, and some have been obliged to pare their interest payments, and some have been unable to balance their budgets. It is vital that their past conduct in these respects be known to those who may be purchasers of their bonds. Following are the requirements set up:

1. (a) Statement of debt, internal and external, and currency in which it is to be paid; statement of external debt to be computed in dollars.

(b) Contingent and actual liabilities, and priority.

(c) Revenue or assets pledged, if any, under present and other loans, and nature of administration.

(d) Summary of such revenue receipts and income from such assets for preceding five years, stated in dollars, if available.

(e) Status of the law under which said revenues or assets are pledged.

2. Past debt record with respect to:

(a) Defaults.

(b) Scaling down interest payments.

(c) Suspending sinking fund payments.

3. Where listed.

4. Currency in which interest and principal are to be paid.

5. Tax liability and exemption.

6. Statement of governmental income and expenditure for whatever account in the preceding five years.

7. Statement of the sums required in dollars to meet foreign interest charges in each of the five preceding years.

8. Statement in terms of weight and dollars (converted) of merchandise imports and exports in each of the preceding five years.

9. Statement of covenants, if any, with respect to payment of principal and interest of bonds dependent upon state of peace or war and nationality of holder.

## WETASKIWIN MAKES RADICAL RECOVERY

### Many Western Cities in Better Financial Position on Account of Farm Improvement

WETASKIWIN.—Indicative of the recovery which has been taking place in the municipal finances of Western Canada as a consequence of the improved agricultural conditions, is the experience of the city of Wetaskiwin. From a none too favorable position only a relatively short time ago, this city has finished the year with a substantial surplus.

At the beginning of last year there was a deficit of $8,555. Early in the year it was necessary to borrow $43,000 from the bank in order to carry on until taxes were collected. Before the end of October the loan was paid off, and, owing to the satisfactory nature of tax collections, the year has been closed with a surplus of $6,324 after making due allowance for all outstanding accounts. This represents an increase for the year of $14,879 in net revenue. Bonded indebtedness, moreover, has been reduced to the extent of $25.581. In current and capital account combined, therefore, the net improvement was $40,461.

The public utilities have also shown a very substantial improvement. Both the electric light and the waterworks departments showed a profit for the year.

## Drawings of French Bonds

Only those issues that have been sold in Canada are included.

### CREDIT NATIONALE

Bonds, 5%, issue of 1920.
Drawing of February 2, 1925.
No. 6,705,546, repayable at 1,000,000 francs.
No. 5,837,958, repayable at 500,000 francs.
Nos. 3,106,662, 5,446,898 at 200,000 francs.
Nos. 2,401,234, 4,291,935, 6,337,278 at 100,000 francs.
Nos. 1,188,242, 4,031,388, 4,076,862, 5,047,981, 5,746,655, at 50,000 francs.

The following bonds are repayable at 500 francs: 1,158,201, 1,188,300, 2,401,201, 2,401,300, 3,106,601, 3,106,700, 33,147,001, 3,314,800 3,336,101, 3,336,200, 4,031,301, 4,031,400, 4,076,801, 4,076,900, 4,291,901, 429,200, 5,047,901, 5,048,000, 5,446,801, 5,446,900, 5,746,601, 5,746,700, 5,837,901, 5,838,000, 6,337,201, 6,337,300, 6,372,901, 6,373,000, 6,705,501, 6,705,600, 7,844,201, 7,844,300.

Repayable June 15, 1925.

## BOND MOVEMENTS OF THE WEEK

WEEK ENDING FEBRUARY 24

| BONDS | Int. Rate | Due Year | Yield | Range 1924 High | Range 1924 Low | Range 1925 High | Range 1925 Low | Latest Price Ask | Latest Price Bid | Latest Price High | Latest Price Low |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Bell Telephone | 5 | 1925 | 6.30 | 100½ | 98¼ | 98¼ | 98¼ | .. | 98½ | 98¾ | 98½ |
| Canadian Car | 6 | 1939 | 5.74 | 102½ | 99 | 103 | 102 | 102¾ | 100 | 102½ | — |
| Cons. Rubber | 6 | 1946 | 6.08 | 102¾ | 98¾ | 100 | 95 | 99½ | — | 99 | — |
| Montreal Trams | 5 | 1941 | 5.36 | 95½ | 91 | 96¼ | 94¾ | 96¾ | 96 | 96 | — |
| Nat. Breweries | 6 | 1939 | 5.59 | 103½ | 103½ | 104 | 104 | — | 103 | 104 | — |
| Quebec Rly | 5 | 1939 | 6.02 | 92 | 80 | 91 | 89¾ | — | 89 | 90½ | — |
| Steel of Can | 6 | 1940 | 5.61 | 103¾ | 103 | 104 | 104 | — | 103½ | 104 | — |
| Wayagamack | 6 | 1951 | 7.10 | 86 | 74 | 86¾ | 84½ | 87 | 86½ | 86¾ | 86½ |
| War Loan | 5 | 1925 | 3.80 | 100.95 | 100.15 | 101.15 | 100.70 | 101.10 | 101.00 | 101.00 | 100.75 |
| Do. | 5 | 1931 | 4.60 | 102.40 | 100.60 | 102.55 | 101.90 | 102.40 | 102.30 | 102.43 | 102.10 |
| Do. | 5 | 1937 | 4.58 | 103.85 | 102.20 | 104.25 | 103.80 | 104.30 | 104.20 | 104.10 | 104.05 |
| Victory Loan | 5½ | 1927 | 4.40 | 103.05 | 102.05 | 103.05 | 102.50 | 103.10 | 103.00 | 103.00 | 102.75 |
| Do. | 5½ | 1933 | 4.55 | 106.70 | 104.30 | 106.75 | 105.90 | 106.80 | 106.70 | 106.70 | 106.40 |
| Do. | 5½ | 1934 | 4.90 | 104.70 | 102.35 | 104.60 | 103.30 | 104.55 | 104.45 | 104.60 | 104.40 |
| Do. | 5½ | 1937 | 4.58 | 108.90 | 106.15 | 109.00 | 108.45 | 109.10 | 108.95 | 109.00 | 108.90 |
| Do. Renewal | 5½ | 1927 | 4.60 | 102.70 | 101.15 | 102.80 | 101.70 | 102.30 | 102.20 | 102.65 | 101.90 |
| Do. | 5½ | 1932 | 4.89 | 103.90 | 102.10 | 104.00 | 103.10 | 103.95 | 103.85 | 104.00 | 103.70 |
| Do. Refund | 5 | 1928 | 4.66 | 100.85 | 99.40 | 101.35 | 100.85 | 101.15 | 101.05 | — | — |
| Do. | 5 | 1948 | 4.81 | 102.85 | 99.00 | 102.25 | 101.20 | 102.20 | 102.10 | 102.25 | 101.90 |
| Do. | 4½ | 1944 | 4.79 | 97.15 | 97.05 | 96.45 | 95.10 | 96.35 | 96.25 | 96.45 | 96.25 |

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### LONDON TAX RATE

Thanks to the increased revenue accruing from new buildings, it is probable that the city of London will be able to make a small reduction in the tax rate this year. This is the result of a preliminary survey of the estimates.

### NEW MUNICIPAL BUILDING

East York Township council passed a resolution at its last meeting authorizing the township engineer to secure plans and estimates on a municipal building next the present office on Sammon Ave. The estimated cost is to be about $40,000. East York is thus ahead of York itself in the movement for a municipal building.

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European Debenture Corporation
LIMITED
120 St. James Street, Montreal *Main 8763*

### Toronto Tax Rate Reduced to 29.85

Several strenuous sessions of the Toronto Board of Control resulted in the lowering of the tax rate for 1925 to 29.85 mills. At Saturday's meeting the board reduced the previous figure of 30.2 mills to an even 30 mills, but this was not considered satisfactory. The rate struck will have to come before council at a special meeting on Monday for ratification.

Among the factors contributing to keep the rate up were: A drop of $856,000 in the year's surplus, which was $1,256,000 last year, representing over one mill in the rate; a decrease of $886,000 in surplus receipts, $430,000 of which were for unforeseen circumstances; a write-off of $173,000 as the result of the Privy Council forcing the T. T. C. to take over the T. S. R. head office building and other properties; a $15,000 write-off on Hydro properties; and a loss of $242,000 in moneys refunded under a change in the Assessment Act, by which certain income taxes of trust companies had to be refunded.

The rate would have been still lower had the surplus been similar to last year's. And despite the fact that there will be a $162,000 increase in the tax levy, civic departmental appropriations are $200,000 lower than in 1924.

# *Municipal and Provincial Finance*

## LUMBER FIRMS IN B.C. ARE ASSESSED FOR BACK TAXES

### Wholesale Revision of Lists and Levies Are Made Retroactive

**From Our Own Correspondent.**

NELSON.—Special courts of revision in the Kootenay to hear objections in connection with reassessments which the tax department at Victoria has made, going back in some cases seven or eight years, will be the scenes of bitterly-fought battles on the part particularly of lumber companies, many of whom are hard hit by the added taxes the province is now seeking to collect. The first court will be held at Cranbrook, one of the lumber centres, and it is expected the organized lumber industry will make representations at some stage, on the principle involved, though each case will also be contested on its merits.

In the case of the present reassessments, no new legislation was enacted, but the government required practically all business firms to supply their balance sheets for a period of years in the past. The majority of firms have heard nothing from the tax department since supplying the required information, but a number, among which the lumber operators are prominent, have been surprised with new tax demands, notwithstanding that the original assessments, on which the taxes of the day were paid, year by year, were made out under the instructions and to the satisfaction of the district assessors.

**Lumber Firms Affected**

Revaluation and reclassification of timber and other property form the basis of the reassessments in the case of the lumber industry, and it is on the ground of this change of basis, as well as on the ground that the government accepted the old assessments and receipted for taxes paid on them and supposedly closed the transactions, that the new order will be resisted. The reassessment is for the purpose of both personal property tax and income tax, the law being that whichever works out at the higher figure is paid.

With the money earned in the years covered, all distributed, some in dividends, with the product priced so as to cover cost of production inclusive of taxes as then levied, with some of the concerns out of existence and the assets in other hands, it is contended by the Kootenay lumbermen that in equity a contract exists between the government and the taxpaying concerns, which is violated in the reopening of these past matters.

The present hearings, undoubtedly, will prove to be only preliminary skirmishes, and there is no doubt but that the province will have to prove its contentions in the courts.

Meanwhile, with large sums involved, one firm being advised of a levy of $30,000 against it, it is said in lumber circles that the collection of the extra taxes will almost certainly send some firms to the wall, in the present depressed state of the industry, or at least cause some to cease business, no provision having been made to meet such levies.

## Bell System Will Have 43,000 Automatics in '25

**From Our Own Correspondent**

MONTREAL.—A new type of long distance service was announced by President L. B. McFarlane of the Bell Telephone Company at the shareholders' annual meeting on Thursday. Mr. McFarlane said:

"A notable development of the past few months is the introduction of a rapid direct service between some of our leading cities and nearby towns. The calling subscriber asks his local operator for the required number at the distant point, and connection is established at once, as on a local call, without the aid of the long distance operator.

"This new direct service will shortly be in operation between Toronto and Hamilton. It is already effective between Montreal and suburban points, between Windsor and Detroit; Quebec and Levis; Sarnia and Port Huron; Niagara Falls and St. Catharines; Guelph, Galt, Kitchener and their surrounding towns, and at many other centres. The service effects for the company an economy in operating costs, and for the subscriber a more speedy and direct service. Extension to additional localities will be made as conditions warrant."

Mr. McFarlane explained that "the figures in the annual statement for gross additions to plant reflect substantial expenditures for automatic equipment, on which the annual charges are not yet offset by the operating economies this type of apparatus will eventually effect.

"We have now definitely entered the era of the automatic telephone. By the end of the present year there will be in service some 43,000 automatic stations—14,600 at Montreal, 24,700 at Toronto and 3,700 at Quebec."

### TENDERS AND BY-LAWS

**March 9, Kenora.**—$37,000, 5½%, 3-yr. school debentures. F. J. Hooper, treasurer.

**April 1, Bromley Twp., Ont.**—$3,000, 5½%, 10 instalments, school bonds. H. Foley, treas., Douglas.

### BURLINGTON DEBENTURES

The town of Burlington sold privately to W. C. Brent & Co., $164,359, 5½ per cent. debentures, issued $149,430, for concrete pavements, $6,342 for granolithic walks, $6,486 for sanitary sewers, $2,100 for sewer pump house extensions.

## Gasoline Tax Revenue for Road Purposes Only

Interest in the proposed gasoline tax of three cents per gallon throughout the province of Ontario has revived with the introduction of the question in the House. Hon. George S. Henry, Minister of Highways and Public Works, stated at the annual meeting of the Ontario Motor League that the tax was intended as a means of enabling the province to meet its bonded indebtedness on road construction and maintenance, and to enable this work to pay its own way. Mr. Henry pointed out that none of the $22,000,000 which had been obtained by the province from motorists through license fees since the inauguration of the present license system, was spent on provincial highways, the province during that time having aided the construction of municipal roads to the extent of $25,000,000. He also affirmed that not a cent of the funds which would be derived by the present government through the gasoline tax would be expended for other than road purposes.

## COST COMPARISONS OFTEN MISLEADING

### Research Institute Shows it is Dangerous to Compare Civic Costs Directly

Pointing out the fact that it is dangerous and often misleading to compare the finances of cities located in different parts of the country, probably in different provinces, on any common basis, the Bureau of Municipal Research under the direction of Dr. Horace L. Brittain has issued a valuable pamphlet, taking Montreal and Toronto as examples.

In analyzing expenditures, the items are divided into three separate groupings, the expenses most nearly comparable, expenses which are not at all comparable and expenses caused by entirely different functions while called by similar names. The second one of these is given to illustrate the impossibility of comparing costs of administration on any absolute basis of comparison, and yet there is less objection to comparing items in this group than in most groupings made. The items in detail are:

Montreal (pop. 700,000 estimated)

| Function | 1924 |
|---|---|
| Dept. of Public Works | $5,139,606 |
| Director | 39,800 |
| Technical Service | 192,538 |
| Road Department | 2,056,984 |
| Boiler Inspection | 4,140 |
| Municipal Works Yard | 519,215 |
| Municipal Water Works | 708,609 |
| Sewers | 221,640 |
| Incineration | 592,412 |
| Building Inspection | 25,460 |
| Lighting (streets and bldgs.) | 531,513 |
| Parks and Ferry | 150,200 |
| Playgrounds | 67,996 |
| Mount Royal Park | 29,100 |
| Administration | 1,154,528 |
| Finance, City Clerk, etc. (Includes Treasurer, Assessor, Licences, Markets, Purchasing and Sales, Remuneration to Mayor, Council, etc., Printing and Stationery). | 1,035,093 |
| Director of Departments | 16,917 |
| Law Department | 46,160 |
| Audit Department | 56,358 |
| Total | (c)$6,294,134 |

Toronto (pop. 542,187)

| Function | 1924 |
|---|---|
| Operating Departments | $6,860,454 |
| Works Department | 1,295,601 |
| Water Works Operation (b) | 1,572,373 |
| Parks Department (c) | 923,222 |
| Property Department | 1,137,258 |
| Street Cleaning Department | 1,775,000 |
| Architect's Department | 157,000 |
| Administration | $1,128,922 |
| Treas. Department | 295,200 |
| Assessment Department | 291,512 |
| Financial Items | 179,000 |
| City Council | 76,860 |
| Comm. on Claims | 12,000 |
| Telephone Exchange | 6,500 |
| Court of Revision | 7,500 |
| City Clerk | 143,750 |
| Law Department | 62,300 |
| Audit Department | 54,300 |
| Total | $7,989,376 |

(b) Does not include retiring allowances which are in Group 1.

(c) Expenditures on exhibition buildings and live stock arena omitted. See III.

## Jamieson Report For National Marketing

The formation of a national marketing commission to handle the exportable surplus of agricultural products, with the exception of grain, from all the provinces of Canada is the leading recommendation of the agricultural inquiry committee of the Ontario Legislature, which reported to the house after a lengthy investigation of farm conditions. More co-operation among producers in the distribution of their products, the extension of cheap electric current into the rural districts, compact settlement of Northern Ontario, support of the Ontario Dairy Standards Act, and establishment of seed-cleaning plants are among the suggestions put forward by the committee.

### ALBERTA MUNICIPAL REPORT

The recent report of the Alberta municipalities is a vast improvement over previous reports in that the statistics are presented in a much more complete and concise manner than ever before. There are certain items omitted such as the details of operation of the public utilities—whether they have been run at a profit or not. Furthermore the report fails to state how the net debenture debt has been arrived at, and whether the bonds are taken care of by sinking fund or by the instalment basis. Such items, however, will undoubtedly be included in future reports, judging from the creditable improvement that has already been made in the make-up and completeness of this year's report.

## This Week's Bond Sales

### OUTREMONT R.C. SCHOOLS

MONTREAL.—The $400,000, 5 per cent. bond issue of the Outremont Roman Catholic School Commission was awarded to Wood, Gundy and Co. on their bid of 99.29. The complete list of bids received is as follows:

| | |
|---|---|
| Wood, Gundy & Co. | 99.29 |
| Credit Canadienne | 98.517 |
| A. E. Ames & Co. | 98.088 |
| Municipal Debentures Corp. | 97.619 |
| Rene T. Leclerc | 97.60 |
| Credit Anglo-Francais | 97.183 |
| Dominion Securities Corp.; L. G. Beaubien & Co. | 97.03 |
| Mead & Co.; Bell, Gouinlock & Co.; McLeod, Young, Weir & Co. | 95.28 |

### TOWNSHIP OF ETOBICOKE

C. H. Burgess and Co. were the successful bidders for the issue of $481,500 5 and 5½ per cent., 10 and 30-year instalment bonds of the township of Etobicoke. Bidding for this issue was exceptionally keen, the winning bid of 102.90 being only .02 higher than that of A. E Ames and Co.

Following are the bids:

| | |
|---|---|
| C. H. Burgess & Co. | 102.90 |
| A. E. Ames & Co. | 102.88 |
| H. R. Bain & Co. | 102.676 |
| Wood, Gundy & Co. | 102.55 |
| Aird, McLeod & Co. | 102.51 |
| Macneill, Graham & Co. | 102.49 |
| Bell, Gouinlock & Co. | 102.36 |
| W. C. Brent & Co. | 102.29 |
| Dyment, Anderson & Co. | 102.11 |
| Matthews & Co. | 102.09 |
| Municipal Debenture Corp. | 101.97 |
| Harris, MacKeen & Co. | 101.911 |
| Gairdner, Clarke & Co. | 101.832 |
| Cochran, Hay & Co. | 100.80 |

### CARLETON COUNTY ISSUE

Dyment, Anderson and Co. were awarded an issue of $80,000, 5 per cent., five-instalment bonds of the country of Carleton at a price of 100.011, and an issue of $71,000, 5 per cent., 15 and 20-instalment bonds was awarded to Monk and Co., of Ottawa, at 99.76.

The following bids were received for the entire block:

| | |
|---|---|
| Cochran, Hay & Co. | 99.87 |
| Matthews & Co. | 99.76 |
| R. A. Daly & Co. | 99.66 |
| McLeod, Young, Weir & Co. | 99.58 |
| Macneill, Graham & Co. | 99.53 |
| C. H. Burgess & Co. | 99.44 |
| McDonagh, Somers & Co. | 99.435 |
| Municipal Bankers Corp. | 99.65 |
| Harris, MacKeen & Co. | 99.62 |
| Worthington & Savage | 99.82 |
| Wood, Gundy & Co. | 99.68 |
| Gairdner, Clarke & Co. | 99.63 |
| A. E. Ames & Co. | 99.57 |
| Goss, Forgie & Co. | 99.516 |
| Toronto Bond Exchange | 99.43 |
| H. R. Bain & Co. | 99.76 |
| Dominion Securities Corp. | 99.66 |
| McCoo, Padmore & Co. | 99.79 |

### SANDWICH DEBENTURES

W. C. Brent & Co. were the successful tenderers for $118,783, 6 per cent., 10, 15 and 20-year town of Sandwich debentures, the price being 103.928, or on a basis of 5.30 per cent. Following is a list of the bids for the following debentures:

$69,466.73, 15 years, 6 per cent.; $5,937.95, 10 years, 6 per cent.; $11,978.50, 20 years, 6 per cent.; $33,000, 25 years, 5¼ per cent.

Wm. C. Brent & Co., 103.928.

Wood, Gundy & Co., for 6 per cent., 104.32; for 5½ per cent., 101.08.

Bell, Gouinlock & Co.: For 15 years, 6 per cent., 104.05; for 10 years, 6 per cent., 102.70; for 20 years, 6 per cent., 103.07; for 20 years, 5¼ per cent., 101.08.

Geo. Carruthers and Son: For 15 years, 6 per cent., 103.75; for 10 years, 6 per cent., 102.45; for 20 years, 6 per cent., 104.95; for 20 years, 5½ per cent., 101.15.

Dyment, Anderson & Co.: For 15 years, 6 per cent., 102.43; for 10 years, 6 per cent., 101.31; for 20 years, 6 per cent., 103.46; for 20 years, 5½ per cent., 99.26.

Matthews & Co.: For all, 102.459.

G. A. Stimson & Co.: For all, 102.07.

A. E. Ames & Co.: For all, 101.86.

McLeod, Young, Weir & Co.: For all, 101.22.

Cochran, Hay & Co.: For all, 101.11.

R. M. Bird & Co: For 6 per cent., 102.37; for 5¼ per cent., 99.22.

C. H. Burgess & Co.: For 6 per cent., 102.28; for 5¼ per cent., 99.04.

Harris, McKeen & Co.: For 6 per cent., 101.78: for 5¼ per cent., 98.77.

MacKay-MacKay: For 6 per cent., 99.10; for 5½ per cent., 97.00.

MacNeill, Graham & Co.: For all, 97.58.

### PROVINCE OF QUEBEC ISSUE

A syndicate, which included Greenshields & Company, were the successful bidders for the $10,000,000 issue of the province of Quebec. The rate of interest was 4½ per cent., and the term 25 years. The winning bid provides the Province with funds at the rate of 4.76 per cent. and the bonds are payable either in Canada or the New York. The bids were called on bonds payable in N. Y. funds and Canadian funds or in Canadian funds only.

The following tenders were in New York funds for bonds payable in New York and Canada:

| | |
|---|---|
| Paine, Webber & Co., New York; Redmond & Co., New York; Hornblower & Weeks, New York; W. A. Harriman & Co., New York; Blodget & Co., New York; Rutter & Co., New York; Remick, Hodges & Co., New York; A. G. Becker & Co., New York; The Detroit Co., Detroit; McDonagh, Somers & Co., and Greenshields & Co. | 96.149 |
| Bank of Montreal, First National Bank, New York; Kissel, Kinnicutt & Co., New York; Union Trust Co., Pittsburg, and Royal Trust Co., Montreal | 95.955 |
| Kerr, Flemming & Co.; Lee, Higginson & Co., Boston; E. H. Rollins & Sons, Boston; W. R. Compton Co., St. Louis, and Stevenson, Perry, Stacy & Co., New York | 95.68 |
| A. E. Ames & Co.; The Guaranty Co., New York; Bankers Trust Co., New York; Estabrook & Co., New York, and Old Colony Trust Co., Boston | 95.1189 |
| Blair & Co., New York; Equitable Trust Co., New York; Halsey, Stuart & Co., New York; Kountze Bros., New York; Continental and Commercial Trust and Savings Bank, Chicago; Canadian Bank of Commerce; Hanson Bros.; Beaubien & Co.; Johnston & Ward, and Gairdner, Clarke & Co. | 95.0735 |
| Dominion Securities Corporation, and Dillon, Read & Co., New York | 94.71 |
| Harris, Forbes & Co., New York; National City Co., New York, and Wood, Gundy & Co. | 94.2091 |

The following tenders were in Canadian funds for bonds payable in Canada only:

| | |
|---|---|
| McLeod, Young, Weir & Co.; Bell, Gouinlock & Co.; Dyment, Anderson & Co.; Cochran, Hay & Co.; Fry, Mills, Spence & Co.; Greenshields & Co.; Beaubien & Co.; Mead & Co.; Gairdner, Clarke & Co.; Aird, McLeod & Co. | 94.4321 |
| Ames & Co., and Wood, Gundy & Co. | 94.3289 |
| Bank of Montreal, Hanson Bros., National City Co., Harris, Forbes & Co.; R. A. Daly & Co., Matthews & Co., R. T. Leclerc, and Banque d'Hochelaga | 94.101 |

## WEEKLY RECORD OF GOVERNMENT AND MUNICIPAL BOND SALES.

| Place | Date | Purpose | —Sold To— | Rate | Maturity | Amount | Price | Yield |
|---|---|---|---|---|---|---|---|---|
| | | | MUNICIPAL | | | | | |
| Carleton County | Feb. — | | Dyment, Anderson & Co. | 5% | 1930 | $80,000 | 100.011 | 5% |
| Carleton County | Feb. — | | Monk & Co. | 5% | 15 & 20 ins. | 71,000 | 99.76 | — |
| Burlington | Feb. — | Imp. | W. C. Brent & Co. | 5½% | —— | 164,359 | ..... | — |
| Outremont R.C. Schools | Feb. — | | Wood, Gundy & Co. | 5% | 1926-55 | 400,000 | 99.29 | — |
| Parish of St. Augustine | Feb. — | | L. B. Beaubien & Co. | 5½% | 1926-60 | 200,000 | ..... | 5.25 |
| Etobicoke Twp. | Feb. — | | C. H. Burgess & Co. | 5 & 5½% | 10 & 30 ins. | 481,500 | 102.90 | 5.06 |
| Sandwich | Feb. — | | W. C. Brent & Co. | 6% | 10, 15 & 20-yr. | 85,784 | 103.928 | 5.30 |
| | | | PROVINCIAL | | | | | |
| Newfoundland | Feb. — | | Dominion Securities Corp | 5% | 1949 | 4,000,000 | 95.581 | — |
| Quebec | Feb. — | | Paine, Webber & Co. and Syndicate | 4½% | 1945 | 10,000,000 | 96.149 | 476 |
| | | | CORPORATION | | | | | |
| Ellis Park Apts. | Feb. — | | Stewart, Scully Co. and Dickson, Jelliffe & Co. | 7% | 1945 | 275,000 | 100 | 7% |

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*We deal in—*
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Quebec Power 6's ——— 1953
Quebec Railway 5's ——— 1939
St. Maurice Power 6½'s ——— 1953
Wayagamack 6's ——— 1951
Montreal Tram-Power 6's ——— 1929
Montreal Public Service 5's ——— 1942
Windsor Hotel 6½'s ——— 1943
Laurentide Power 5's ——— 1946
Cedar Rapids 5's ——— 1953
Montreal Tramways 5's ——— 1941
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# Utilities

## OTTAWA POWER'S EARNINGS LARGER BUT UNDER 6 P.C.

### President Ahearn Counts on Improvement in Coming Year

**From Our Own Correspondent.**

MONTREAL.—There is promise in the annual report of Ottawa Light Heat and Power that during the coming year the full amount of the 6 per cent. dividends on the common stock will be earned. This was not the case in either of the past two years when there have been small debit balances after payment of common dividends and after payment of previous year's taxes.

The president, Thomas Ahearn, states that during the coming year the company will have the benefit of power from the new hydraulic developments in the Upper Otttawa and of large new gas installations.

In the report for the year ended December 31, 1924, the company shows a slight increase in gross earnings, a slight reduction in operating expenses, and lower interest charges. A larger sum was written off for depreciation.

Gross income from all sources was $1,720,841, as compared with $1,718,402. Operating expenses, including maintenance, amounted to $1,165,191, as compared with $1,171,680, leaving operating profit at $555,650. Profit and loss account for three years past compares as follows:

| | 1924 | 1923 | 1922 |
|---|---|---|---|
| Gross rev. | $1,720,841 | $1,718,402 | $1,685,381 |
| Op. exp. | *1,165,191 | 1,171,680 | 1,140,846 |
| Balance | $555,650 | $546,722 | $544,534 |
| Interest | 125,428 | 207,000 | 220,107 |
| Balance | $430,222 | $339,722 | $324,427 |
| Inc. tax | 17,772 | 25,580 | ...... |
| Balance | $412,450 | $314,141 | $324,427 |
| Deprec. | 109,951 | 97,573 | 93,740 |
| Balance | $302,499 | $216,568 | $230,686 |
| Pfd. div. | 97,500 | 24,375 | ...... |
| Balance | $204,999 | $192,193 | $230,686 |
| Com. divs | 210,000 | 210,000 | 210,000 |
| Balance | †$ 5,001 | †$ 17,808 | $ 20,686 |
| Div. Cr. | ...... | ‡ 4,603 | ...... |
| Balance | †$ 5,001 | †$13,205 | $ 20,686 |
| Bad debt. res. | ...... | ...... | 16,853 |
| Balance | †$ 5,001 | †$13,205 | $ 3,832 |
| Prev. bal. | 146,796 | 159,999 | 221,831 |
| P. & L. bal. | $141,795 | $146,796 | $225,663 |

*Including maintenance.
†Debit.
‡Accrued on deferred stock payments.

### Assets Over Ten Millions

The balance sheet shows total assets to have crossed the ten million dollar mark, being $10,131,732, as compared with $9,994,128. The property account is shown at $9,123,956, as compared with $8,855,031. Current assets are somewhat lower, due to reductions in cash and inventories, while current liabilities also show a substantial reduction, the only item being bills and accounts payable at $171,069. These changes leave little change in the comfortable working capital position of the company, current assets exceeding current liabilities by $605,523.

The president states that the increase in profits is explained "by the reduced interest charges, due to the refinancing of October, 1923, and by the favorable water conditions throughout the year, all of which encourages your directors to look forward with optimism for the coming year, when power from the new hydraulic developments in the Upper Ottawa will be available, and when the effect of certain large new gas installations will be reflected in the earnings.

"In the matter of depreciation, your directors have continued along lines that are recognized as sound and reasonable and in the interests of both shareholders and consumers.

"During the year there have been considerable additions to our generating and distributing systems, principally by the electric company, in order to meet the demands of service and for greater economy. These additions, amounting to $268,925.58, cover our principal requirements for many years to come. They consist chiefly in the erection of a substation on Holland Avenue, lines to convey the new power, to be obtained from the Ottawa River Power Company, and the installation of waste heat boilers at the gas works, to utilize the large amount of heat otherwise wasted in the stacks."

In his annual report for 1924, President Thomas Ahearn, of Ottawa Light, Heat and Power, speaks as follows of the company's operations:

"It might not be amiss to point out that The Ottawa Gas Company has been in existence since 1854, and has unfailingly served the Ottawa public for seventy years. The Ottawa Electric Company, which is a pioneer Canadian hydro-electric company (formerly the Chaudiere Electric Light and Power Company, Limited), was established thirty-seven years ago. These two companies have always been successful, because their capacity for giving service has kept pace with the growth of the city and with the great demand for gas and electricity which this growth has produced. That the people of Ottawa appreciate good service is evidenced by the fact that your companies have 75 per cent. of the competitive electric business of this city. Another illustration is the way in which small investors in Ottawa subscribed for the preference stock of the Light, Heat and Power Company, when it was issued in 1923, and their continued willingness to invest in it."

**Jamaica Public Service**

| December— | 1924 | 1923 | Incr. |
|---|---|---|---|
| Gross Earn. | $53,955 | $52,079 | $ 1,876 |
| Oper. Exp. and Taxes | 35,777 | 33,426 | 2,350 |
| Net earn. | 18,178 | 18,652 | x473 |
| Int. Charges | 6,726 | 6,271 | 454 |
| Bal. for Res. Retire & Divds. | $11,452 | $12,381 | x$ 928 |

xDecrease.

| 12 Months Ending Dec. 31, 1924— | |
|---|---|
| Gross Earnings | $579,056 |
| Operating Expenses and Taxes | 392,404 |
| Net Earnings | 186,651 |
| Interest Charges | 76,998 |
| Balance for Reserves. Retire & Divs. | $109,653 |

### Soo Utilities Enjoyed a Rather Favorable Year

Great Lakes Power and International Transit, operating at Sault Ste. Marie, had gross earnings for 1924 of $693,583. Of this total Great Lakes Power contributes $588,056 as compared with $577,486 the previous year and International Transit Co., $105,551. The operations of the latter company were adversely affected by the suspension of operations of the Algoma Steel Corporation. Expenses of both companies totalled $260,069, leaving net operating income at $433,528. From this total the sum of $173,315 is applied as interest and $42,000 is distributed to preferred shareholders and $80,000 to common, leaving the balance at $138,213. The preferred stock is held by Canadian investors and the dividends on preferred were earned 6.43 times over. On July 1 the Power Co. retired $75,000 of bonds, and on the same date the Transit Co. retired $20,000. No construction work was undertaken during the year.

Total surplus of the Great Lakes Co. at the close of the year was at $834,951, and of the Transit Co. $76,908.

## W.E. RY. WILL SELL CUSTOMERS' SHARES

### Employees of Company Will Try and Place 2,000 Shares of Preferred

**Staff Correspondence.**

WINNIPEG.—Winnipeg Electric Co. will offer 2,000 shares of seven per cent. cumulative preferred stock to customers.

Starting Saturday the stock-selling campaign will continue ten days, according to A. W. McLimont, and will be conducted by employees, each of whom has agreed to call on ten of his friends during the drive. This is the first attempt at customer-ownership to be made in Winnipeg on a big scale. Four years ago, when the Winnipeg Electric first issued its preferred stock, a small allotment was sold locally through the campaign put on by the company, but at that time the employees were not called upon to sell the stock.

"These securities are not being sold for the purpose of securing new capital," said Gen.-Mgr. McLimont. "As a matter of fact, there is no new stock to be sold. The prime purpose of the offering is to secure an increasing measure of customer-ownership. The new plan has gained remarkable favor in the cities where it has been tried, because it provides customers with a safe place for their investment funds in property located in their own town or city and in an organization with which they are in daily contact.

"Its service to them consists in giving them a place where, with exceptional safety, their savings can earn a good return. The movement gained favor with the power companies because they learned that absentee owners were of much less value to them than customer owners. By putting their customers on a profit-sharing basis they have earned their friendship and favor. They have secured more enthusiastic co-operation and better public relations. A considerable amount of this stock is already owned by customers and employees of the local company, and it is expected that the forthcoming offer will be received by the public with much interest."

## CONTROL OF CALGARY GAS CO. TO NEW YORK

### International Utilities Secures Sifton and Coste Share Interest

**From Our Own Correspondent.**

CALGARY. — International Utilities Corp., New York, which has secured control of the Canadian Western Natural Gas, Light, Heat and Power, (better known as the Calgary Gas Co.) and the North-Western Utilities, the concern that is known as the Edmonton Gas Co., has 41,000 shares in the Calgary Co. out of 80,000 issued. Of this 27,000 were formerly held by Sir Clifford Sifton, and 12,000 by Eugene Coste, in addition to which various lots have been purchased on the market.

North-Western Utilities recently made a bond issue of $3,250,000, which, it is stated, met with considerable success. In both cases, drilling for gas will be actively prosecuted. So far as the Calgary company is concerned it has an ample supply of gas in sight for many years to come. From what can be learned at the present time the administration will be left in the hands of the existing executives of each company.

Rumors were also afloat that the New York outfit had also secured the control of the Calgary Power Co., but head officials of the company state there is no basis for the report.

## 'PEG HYDRO AND W.E. RY. DIVIDING PRESENT MARKET

### City System Will be Company's Only Customer in City in Future

WINNIPEG. — Conferences have been taking place between Winnipeg Electric and the city hydro with a view to effecting a mutually satisfactory arrangement under which each utility will have a separate field for its commercial operations. At the present time, both utilities are in active, keen competition and as a result the expenditures of both utilities are relatively higher than is the established practice in other centres. The proposal contemplates the withdrawal on the part of Winnipeg Electric from retailing electrical energy within the city, and the city system from sale outside the city.

In return for this definite allocation of territory the City Hydro will immediately purchase from the Winnipeg Electric in bulk all the electrical energy which the present customers of Winnipeg Electric Company in the city of Winnipeg are taking, and the Winnipeg Electric will take over the supply of electrical energy at once to all present customers of the city hydro outside the city of Winnipeg.

The hydro electric plant of the city of Winnipeg at Point du Bois at present is not generating the amount of its ultimate capacity, and, during the next few years until this ultimate capacity is reached the understanding is for the city of Winnipeg to purchase 50 per cent. of its annual increased power demand from the Winnipeg Electric, and to generate the other 50 per cent. of its added power demand at its Point du Bois plant. When the Point du Bois plant is loaded, the City Hydro is to purchase its entire power requirements from the Winnipeg Electric until the Great Falls plant of the Manitoba Power Company, Ltd., is fully laoded. Thereafter future added demands for power in the city may be supplied from the Hydro Electric plant which the city at its option may erect at its Slave Falls site on the Winnipeg River. Upon absorption of the capacity of the Slave Falls plant, the Winnipeg Electric will supply the city of Winnipeg with its power requirements thereafter.

A. W. McLimont, vice-president and general manager of the Winnipeg Electric and Manitoba Power, says:

"Under the arrangement the city hydro is expected to pay Winnipeg Electric Co. for the power a price which will give the Winnipeg Electric adequate compensation for the large amount of retail, light, fuel and power business which it now carries on in the city. The purchase of the company's distribution equipment within the city by the City Hydro is part of the proposal and similarly the company is to purchase the Hydro distribution equipment in the outside municipalities, and the basis of such purchase is to be on a fair and proper present valuation.

"I can see no reason why such a proposed arrangement should not work out to the best interests of all concerned. I also would point out that this proposal if carried to its logical conclusion will be of material assistance to the company through the undoubted stabilization of earnings which it will assure. Under this arrangement the largest single customer of Winnipeg Electric Co. would be the city of Winnipeg, and the company would have only this one large account to collect in the city of Winnipeg in place of the many thousands of small accounts which it carries on its books to-day."

### NEW BRUNSWICK TELEPHONE

Annual report of the New Brunswick Telephone Company for the 12 months ending December 31, 1924, showed gross revenue of $1,110,053 with operating expenses amounting to $869,840. This left a net revenue of $240,212. There was a net gain of 612 telephones in service, and the year was marked by considerable construction activities along other lines.

An average of 200 cars of pulpwood is coming down the T. & N. O. Railway daily. Of this approximately 60 per cent. goes to the United States, Johnsonburg, Pa.

## March Dividend Payments

| | |
|---|---|
| Dividends | $ 8,168,883 |
| Bond Interest | 11,127,871 |
| | $19,296,754 |

| Company | Rate | Due | Amount |
|---|---|---|---|
| Belding Corticelli, p. | 1¾q. | 16 | $ 15,142 |
| Brand-Hend. com. | 1q. | 2 | 11,799 |
| Brazilian Tr., com. | 1q. | 2 | 1,065,829 |
| Capital Trust | 4% | 2 | 23,632 |
| Cons. Rubber, pf. | 1¾q. | 31 | 52,500 |
| Cosgrave Brewery | 1¾q. | 16 | 17,500 |
| Crow's Nest Coal | 1½q. | 2 | 93,189 |
| Confederation Life | 5q. | 31 | 5,000 |
| Dom. Finan. Corp. | 2q. | 2 | 980 |
| Dom. of Can. Guar. & Accident | 7½s. | 2 | 9,173 |
| Dom. Radiator, pf. | 1¾q. | 2 | 27,097 |
| Famous Players, pf. | $2q. | 2 | 83,000 |
| Hollinger Mines | 1m. | 24 | 246,000 |
| Imperial Oil (New) | 25c. q. | 2 | 1,605,325 |
| Imperial Tob. com. | 1½q. | 30 | 474,558 |
| Do., pref. | 3s. | 31 | 240,900 |
| Inter. Milling pref. | 1¾q. | 2 | 38,500 |
| Keeley Mines | 8+4s. | 15 | 240,000 |
| Lake Shore Mines | 5q. | 16 | 100,000 |
| Lake of Woods Mill. c. | 3q. | 2 | 105,000 |
| Do., pref. | 1¾q. | 2 | 26,250 |
| London Life | 3q. | 31 | 3,000 |
| McIntyre Mines | 5q. | 2 | 199,500 |
| Montreal Cottons, c. | 1½q. | 16 | 44,979 |
| Do., pref. | 1¾q. | 16 | 52,471 |
| Mutual Oil | 12½c. q. | 16 | 375,000 |
| Montreal Loan | 3+1q. | 16 | 24,000 |
| N.B. Power, pref. | 1¾q. | 2 | 17,500 |
| Ogilvie Flour, pref. | 1¾q. | 2 | 35,000 |
| Ottawa & Hull Pr., p. | 1¾q. | 16 | 26,250 |
| Port Hope Sani. pf. | 1¾q. | 2 | 5,250 |
| Royal Trust | 4q. | 31 | 40,000 |
| Sherw.-Wms., com. | 1½q. | 31 | 60,000 |
| Do., pref. | 1¾q. | 31 | 59,937 |
| St. Maurice Paper | 1½q. | 28 | 142,622 |
| West. Can. Flour | 2q. | 16 | 57,500 |
| | | | $5,624,383 |

**Banks**

| | | | |
|---|---|---|---|
| Commerce | 3q. | 2 | $ 600,000 |
| Canadienne Nationale | 2½q. | 2 | 137,500 |
| Montreal | 3q. | 2 | 817,500 |
| Provinciale | 2¼q. | 2 | 67,500 |
| Royal | 3q. | 2 | 612,000 |
| Toronto | 3q. | 2 | 150,000 |
| Union | 2q. | 2 | 160,000 |
| | | | $2,544,500 |

**Bond Interest Due in March**

| Company | Rate | Due | Amount |
|---|---|---|---|
| Abitibi Pulp | 8 | 1931 | $ 155,736 |
| Alabama T. L. | 5 | 1962 | 341,722 |
| Algoma Cent. Rly. | 6 | 1964 | 9,564 |
| Algoma East. Rly. | 5 | 1961 | 62,500 |
| Brompton Pulp | 6 | 1939 | 27,096 |
| Brand-Henderson | 6 | 1939 | 26,940 |
| B. C. Electric | 4½ | Perp. | 284,383 |
| Canadian Salt | 6 | 1934 | 9,450 |
| Can. Steel Found. | 6 | 1936 | 52,065 |
| Elect. Development. | 5 | 1933 | 203,750 |
| Dom. Sewer Pipe | 6 | 1927 | 1,389 |
| Dom. Textile | 6 | 1925 | 53,016 |
| Do. | 6 | 1949 | 155,160 |
| Dominion Iron | 5 | 1939 | 176,780 |
| Dunlop Tire | 6 | 1927 | 7,434 |
| Fraser Co.'s | 8 | 1941 | 77,600 |
| Hillcrest Collieries | 5 | 1940 | 8,125 |
| Montreal Pub. Serv. | 5 | 1942 | 78,812 |
| King Ed. Hotel | 7 | 1944 | 35,000 |
| Lake Sup. Paper | 6 | 1941 | 134,382 |
| Mexico Tramways. | 5 | 1956 | 252,187 |
| N. B. Power | 5 | 1937 | 46,250 |
| N. S. Clay | 6 | 1930 | 1,722 |
| Ottawa L. H. & P. | 6 | 1953 | 15,000 |
| Ottawa Gas | 6 | 1939 | 24,165 |
| Robin, Jones & W. | 6 | 1930 | 5,910 |
| South. Can. Pr. | 6 | 1948 | 133,875 |
| St. Lawrence Paper | 6½ | 1944 | 81,250 |
| Span. River Pulp | 6 | Ser. | 44,040 |
| Toronto Paper | 6 | 1942 | 6,021 |
| West. Can. Flour | 6 | 1928 | 18,033 |
| Do. | 6 | 1931 | 13,440 |
| West. Koot. Power | 6 | 1940 | 33,402 |
| Winnipeg Electric. | 6 | 1943 | 97,500 |
| Corporation Bonds | | | $2,673,699 |
| War Loan | 5 | 1937 | 2,254,172 |
| Municipal | | | *3,400,000 |
| Provincial | | | *2,800,000 |
| | | | $11,127,871 |

*—This figure is determined by dividing by 12 the estimated total interest payable during the year on these issues.

## ST. MAURICE PLANT ENTIRELY PAID FOR

### Company Kept Cost Within Limits of the Bonds and Debentures Issued

**From Our Own Correspondent**

MONTREAL.—In the annual financial report of St. Maurice Power Company reference is made to the action against the company regarding its power rights on the St. Maurice River. The president, Julian C. Smith, says:

"In March, 1923, an action was taken against your company by United Manufacturing Company, under which the latter company claimed certain rights on the St. Maurice River under Letters Patent issued under the provisions of the Quebec Companies Act on the 23rd of February, 1910.

"This action was contested by your company. The Quebec Government intervened in the case, claiming that the Letters Patent issued by it merely incorporated the United Manufacturing Company and gave it capacity to exercise certain rights and to carry on certain work subject to the obtaining of a proper grant from the provincial government of the bed of the St. Maurice River and of such other rights as might be necessary for any power development.

"In November, 1924, judgment was rendered by Mr. Justice MacLennan, declaring that United Manufacturing Company had vested rights in the St. Maurice River under the Letters Patent above referred to. An appeal from this judgment has been taken to the Court of Appeals both by the company and by the government of the province. Other proceedings have been instituted by your company to have the charter of United Manufacturing Company declared null and void. These proceedings are pending."

As the company only commenced operations this year, the statement under review deals only with the financial condition of the company as applying to capital accounts. The figures show property at $7,600,000; construction expenditure at $9,517,871 and smaller cash accounts.

Saskatchewan Pool Elevators, a sidiary of Saskatchewan Co-op elevators, has been incorporated $100,000. The company will acquire vators at points not now served farmer elevators.

20 Cigarettes 20
PLAYER'S NAVY CUT
CIGARETTES "MEDIUM"
A little higher in price, but—
what a wonderful difference
a few cents make

# The Standard Bank of Canada

with which is amalgamated

## The Sterling Bank of Canada

***Fiftieth Annual Statement for year ending 31st January, 1925***

### PROFIT AND LOSS ACCOUNT

Cr.

| | |
|---|---|
| Balance forward, January 31st, 1924 | $215,661.66 |
| Profits for the year ending January 31st, 1925, after deducting expenses, interest accrued on deposits, rebate for interest on unmatured bills, Provincial taxes, and making provision for bad and doubtful debts | 688,682.84 |
| | $904,344.50 |

Dr.

| | |
|---|---|
| Dividend No. 134, paid May 1st, 1924, at the rate of 12% per annum | $120,000.00 |
| Dividend No. 135, paid Aug. 1st, 1924, at the rate of 12% per annum | 120,000.00 |
| Dividend No. 136, paid Nov. 1st, 1924, at the rate of 12% per annum | 120,000.00 |
| Dividend No. 137, payable Feb. 1st, 1925, at the rate of 12% per annum | 128,234.00 |
| War Tax on Note Circulation | 40,000.00 |
| Reserved for Dominion Income Tax | 50,000.00 |
| Contributed to Officers' Pension Fund | 25,000.00 |
| Transferred to Reserve Fund | 150,000.00 |
| Balance carried forward | 151,110.50 |
| | $904,344.50 |

### RESERVE FUND

| | |
|---|---|
| Brought forward, January 31st, 1924 | $2,750,000.00 |
| Transferred from Profit and Loss Account | 150,000.00 |
| Balance at credit, January 31st, 1925 | $2,900,000.00 |

### GENERAL STATEMENT

#### LIABILITIES

| | | |
|---|---|---|
| Notes of the Bank in circulation | | $5,787,228.75 |
| Deposits bearing interest (including interest to date) | $52,048,439.33 | |
| Deposits not bearing interest | 11,383,938.13 | |
| | | 63,432,377.46 |
| Deposits made by other Banks in Canada | | 1,000,988.22 |
| Balances due to other Banks in Canada | | 67,219.26 |
| Balances due to Banks and Banking Correspondents elsewhere than in Canada | | 2,274,919.72 |
| Advances under The Finance Act | | 2,300,000.00 |
| Bills Payable | | 2,788.51 |
| Letters of Credit outstanding | | 311,200.90 |
| Liabilities not included in the foregoing | | 323,762.02 |
| Dividends declared and unpaid | | 145,825.50 |
| Capital stock paid in | | 4,823,400.00 |
| Reserve Fund | | 2,900,000.00 |
| Balance of Profit and Loss Account carried forward | | 151,110.50 |
| | | $83,520,820.84 |

#### ASSETS

| | | |
|---|---|---|
| Current coin held by the Bank | $1,041,735.01 | |
| Dominion Notes held | 8,527,541.50 | |
| Deposits in the Central Gold Reserves | 1,100,000.00 | |
| | | $10,669,276.51 |
| Deposit with the Minister for the purposes of the Circulation Fund | | 273,000.00 |
| Notes of other Banks | | 523,927.00 |
| United States and other foreign currencies | | 41,826.49 |
| Cheques on other Banks | | 2,859,217.73 |
| Balances due by other Banks in Canada | | 100,000.00 |
| Balances due by Banks and Banking Correspondents elsewhere than in Canada | | 1,101,038.50 |
| | | $15,568,286.23 |
| Dominion and Provincial Government Securities not exceeding market value | $14,382,293.16 | |
| Canadian Municipal Securities and British, foreign and colonial public securities other than Canadian, not exceeding market value | 3,148,197.73 | |
| Railway and other bonds, debentures and stocks not exceeding market value | 450,475.21 | |
| Call and Short (not exceeding thirty days) Loans in Canada on bonds, debentures and stocks or other securities of a sufficient marketable value to cover | 6,469,330.39 | |
| Call and Short (not exceeding thirty days) Loans elsewhere than in Canada on bonds and other security of a marketable value to cover | 300,000.00 | |
| | | 24,750,296.49 |
| | | $ 40,318,582.72 |
| Loans to Cities, Towns, Municipalities and School Districts | | 1,798,201.18 |
| Other Current Loans and discounts in Canada (less rebate of interest) after making full provision for all bad and doubtful debts | | 36,077,030.68 |
| Non-current Loans, estimated loss provided for | | 741,699.48 |
| Mortgages on Real Estate sold by the Bank | | 166,355.70 |
| Real Estate other than Bank Premises | | 275,323.27 |
| Liabilities of Customers under Letters of Credit as per contra | | 311,200.90 |
| Bank Premises, at not more than cost, less amounts written off | | 3,752,051.28 |
| Other Assets not included in the foregoing | | 80,375.63 |
| | | $83,520,820.84 |

A. F. WHITE, *President*
Toronto, 31st January, 1925

N. L. McLEOD
A. H. WALKER, } *Joint General Managers.*

### AUDITORS' REPORT TO THE SHAREHOLDERS

We have examined the books and accounts of The Standard Bank of Canada at its head office for the year ended January 31, 1925, and have been furnished with certified returns from the branches. We have obtained all the information and explanations we have required, and in our opinion all transactions of the Bank which have come under our notice have been within the powers of the Bank.

The Bank's investments and cash on hand at its chief office and certain of its principal branches, were verified by us as at January 31, 1925.

We certify that, in our opinion, the above general statement of Liabilities and Assets at January 31, 1925, discloses the true condition of the Bank, and is in accordance with the books of the Bank.

Toronto, February 19, 1925.

D. McK. McCLELLAND, F.C.A.,
of Price Waterhouse & Co.
E. JAMES BENNETT, F.C.A.,
of George A. Touche & Co.

**Systematic Saving**

will build up a nice fortune in a few years.

While working for money have money work for you. It will do so — twenty-four hours each day.

The most practical way to do this is to purchase high-grade securities on our Systematic Monthly Payment Plan.

As each payment is made it immediately earns interest.

Full details of our Monthly Payment Plan and list of our recommendations gladly sent on request.

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LIMITED
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**BONDS**
**for**
**SAFE INVESTMENT**

GOVERNMENT, Municipal, Public Utility and Industrial Bonds.

Selected with careful regard to safety, dependable income and marketability.

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*Investment Securities*
160 St. James St. - Montreal
320 Bay St. Toronto
63 Sparks St., Ottawa.

We own and offer

**Armour & Company**
**Class "A" Participating Common Stock**
(Voting Trust Certificates)
Par Value $25.00

This stock is entitled to cash dividends of $2.00 per share in any year before any dividends shall be set apart or paid on the Class "B" Common Stock. When dividends aggregating $2.00 per share shall have been paid on both Class "A" and Class "B" stock in any year, both classes of stock share equally in any additional dividend paid in that year.

EARNINGS

*Earnings* for 1924 were equal to $4.50 per share on the Class "A" Stock.

PRICE

**$23.00 per share**
**To yield over 8%**

*Full descriptive circular on request.*

**JOHNSTON AND WARD**

Canada Trust Bldg., 14 King St. East,
TORONTO

Members: Montreal Stock Exchange.
Toronto Stock Exchange.

### B. C. SALMON EXPORTS

VANCOUVER.—Canned salmon exports from Vancouver for the year 1924 were 1,525,542 cases, sold in the following countries: United Kingdom, France, Australasia, Germany, West Indies, Sweden, Belgium, British India, Central and South America; Ceylon, China, Denmark, Egypt, Holland, Italy and Malta.

# COAL CREEK MINERS' PACT FORCES OTHER MINES TO CLOSE

## Cut in Wages Allows Only These Mines to Operate

**From Our Own Correspondent.**

CALGARY.—The coal mining industry of Alberta, particularly the steam coal portion of it, has reached an acute stage. Crow's Nest Pass mines are idle, except Coal Creek where the miners broke away from the International Union and accepted a reduced wage scale that enabled the company to secure large contracts, and meet the competition of oil fuel and American coal. These mines are running full time.

This has hurt other mines in Crow's Nest Pass that are still affiliated with the U. M. W. A. Reports are that miners at Blairmore, Bellevue and other centres are making overtures to the operators to enter into a similar contract to that of the Crow's Nest Pass Co. Mass meetings have been held and active steps are under way for individual contracts. There is a difference of about one dollar a day in the wage scale of the agreement effected by the U. M. W. A., at the termination of the eight months' strike last year and that agreed upon between Mr. Wilson and his employees.

Officials of the miners' organization here are at their wits' end to know what to do. There are more than 2,000 miners and their families in the Crow's Nest Pass who are starving and the organization is not in a position to render financial assistance. This point is weighing heavily with the men and doubtless is the chief factor in their eagerness to enter into an agreement direct with their employers so that they might have a chance of work. The other day a deputation of miners' officials waited upon Premier Greenfield and Hon. Alex. Ross, provincial minister of public works, with a view to securing relief work on the roads for the distressed miners. The members of the deputation were told, however, that no work could be undertaken at the present time owing to weather conditions.

### LOWER WATER WORKS PROFITS

A surplus of only $843 in the waterworks department of the town of Barrie is attributed to heavy extraordinary expenditures. Last year's profits amounted to $4,993. The cost of mains and services exceeded that of last year by $3,939. The statement of reserves shows that payments of $91,668 have been made for debentures on the plant, the original cost of which was $126,000. Surpluses of nearly $38,000 have been earned and these have been turned back into plant improvement.

# Banks Further Increase Investments in Securities

A further increase in current loans with a large increase in demand deposits and some increase also in savings deposits marked the business of the Canadian banks in December as indicated by the government return. As a result the tendency of the banks to invest their funds in securities continued. Holdings of government securities increased about $24,500,000, of public securities $5,700,000 and of railway securities $8,800,000. Provincial loans increased about $5,400,000, but the reduction in municipal loans approached $10,000,000.

As compared with a year ago current loans declined by about $73,000,000 and deposits increased by $93,000,000. Government securities showed an increase of $65,750,000, public securities nearly $25,000,000 and railway securities over $18,000,000, call loans abroad were higher by $11,500,000, current loans abroad by over $13,000,000 and Canadian call loans by $12,670,000. Following are comparative figures:

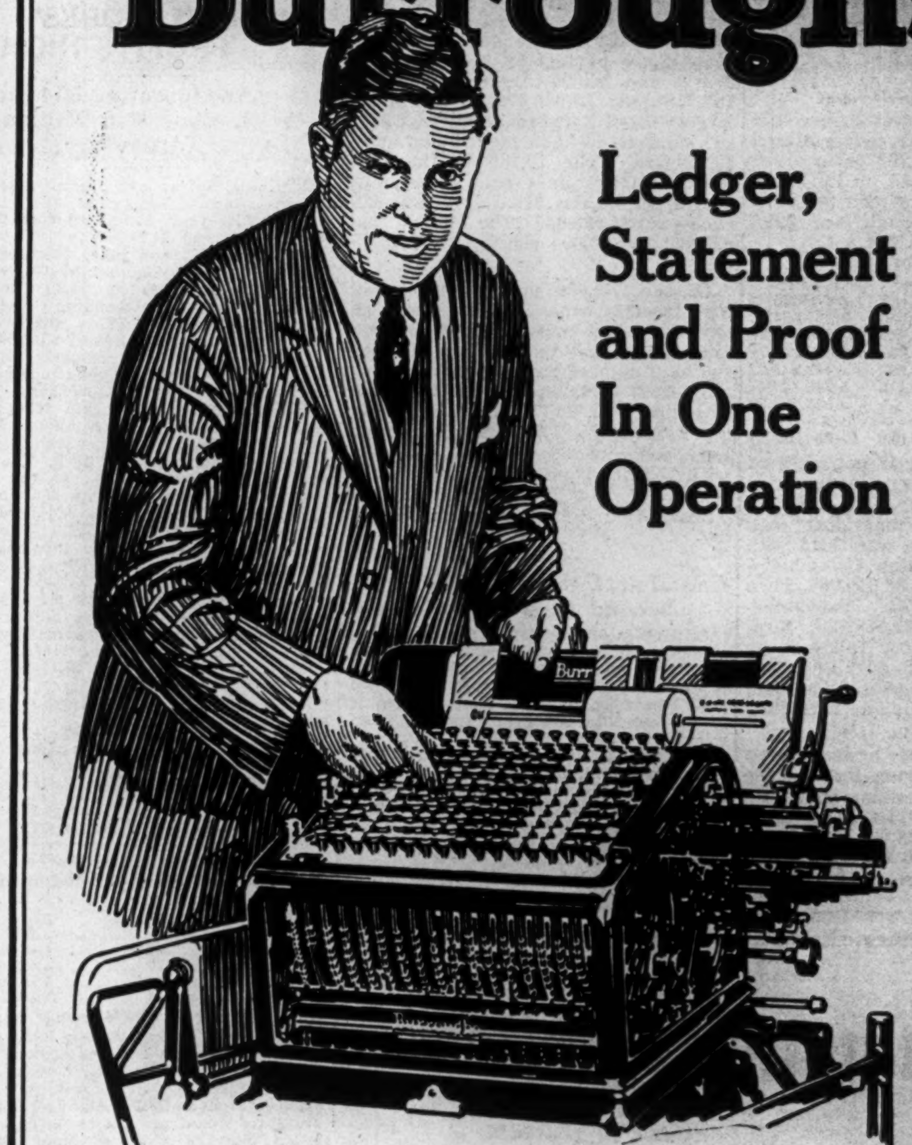
**BANK STATEMENT FOR MONTH OF DECEMBER**

**Immediately Available Liquid Resources**

**ASSETS**

| | December, 1924 | November, 1924 | Change | December, 1923 | Change |
|---|---|---|---|---|---|
| Specie | $ 56,937,426 | $ 69,413,937— | $12,476,511 | $ 67,068,386— | $ 130,960 |
| Dom. Notes | 182,188,169 | 161,944,919+ | 20,243,250 | 164,352,065+ | 17,836,104 |
| Gold Res. | 60,702,533 | 60,602,533+ | 100,000 | 65,602,533— | 4,900,000 |
| U.K. Banks | 9,268,969 | 8,360,734+ | 908,235 | 8,539,945+ | 729,024 |
| For. Banks | 70,034,229 | 80,510,106— | 10,475,877 | 55,692,406+ | 14,341,823 |
| For. Curr. | 29,347,286 | 33.169,409— | 3,822,123 | 29,139,061+ | 208,225 |
| Gov. Secs. | 324,471,543 | 300,058,853+ | 24,412,690 | 258,713,871+ | 65,757,672 |
| Call loans, ab'd. | 187,223,100 | 186,614,354+ | 608,746 | 175,696,780+ | 11,526.320 |
| | $ 920,173,255 | $ 900,674,845+ | $19,498,410 | $ 814,805,047— | $105,368,208 |
| **Loans and Securities Other Than Those of Canadian Government** | | | | | |
| Pub. Sec. | $ 149,598,740 | $ 143.856,707+ | $ 5,742,033 | $ 124,755,476+ | $ 24,843,264 |
| Rly. Secs. | 61,602,560 | 52,776,972+ | 8,825,588 | 43,401,893+ | 18,200,667 |
| Can. Call Loans. | 128,198,184 | 122,537,415+ | 5,660,769 | 115,527,321+ | 12.670,863 |
| Current | 938,717,730 | 961,349,103— | 22,637,373 | 1,011,612,518— | 72,900,788 |
| Loans ab'd. | 184,575,762 | 177,966,320+ | 6,609,442 | 171,299,479+ | 13,276,283 |
| Prov. Loans | 22,290,784 | 16,903,252+ | 5,387,532 | 23,339,644— | 1,048,860 |
| Municipal | 50,137,209 | 59,915,820— | 9,778,611 | 66,443,202— | 16,305.993 |
| | $1,535,114,969 | $1,535,305,589— | $ 190,620 | $1,556,379,533— | $21,264,564 |
| **Other Assets** | | | | | |
| Non- Curr. Loans | $ 10,854,644 | $ 11,052,299— | $ 197,655 | $ 15,943,319— | $5,088.675 |
| Real Estate | 8,368,592 | 8,234,366+ | 134,226 | 6,762,781+ | 1,605,811 |
| Mortgages | 3,880,836 | 3,865.553+ | 15,283 | 3,8[illegible]7,637+ | 23,199 |
| Premises | 72,141,738 | 71,993,950+ | 147,788 | 69,541,582+ | 2,600,156 |
| Lets. of Cred. | 60,760,831 | 66,091,694— | 5,330,863 | 50,657,705+ | 10.103,126 |
| Loans to Comp. | 6,439,608 | 6,538,896— | 99,288 | 9,784,803— | 3,345,195 |
| Other Assets | 3,715,934 | 3,523.949+ | 191,985 | 4,335,421— | 619,487 |
| | $ 166,162,183 | $ 171,300,707— | $ 5,138,524 | $ 160,883,248+ | $5,278,935 |
| Total | $2,621,450,407 | $2,607,281,141+ | $14,169,266 | $2,532,067,828+ | $89,382,579 |
| Note Circ. Dep. | 8.176,087 | 6,223,581+ | 1,952,506 | 10,521,126— | 2,345,039 |
| Int. Bk. Bal. | 177,849,926 | 135,349,681+ | 42,500,245 | 157,835,149+ | 20,014,777 |
| Gross | $2,807,476,420 | $2,748,854,403+ | $58,622,017 | $2,700,424,103+ | $107,052,317 |
| **LIABILITIES TO THE PUBLIC** | | | | | |
| **Liability to Government and Circulation** | | | | | |
| Circulation | $165,672,143 | $176,561,298— | $10.889,155 | $180,246,825— | $14,574,682 |
| Dom. Govt. | 24,729,724 | 25,401,242— | 671,518 | 37,725,518— | 12,995,794 |
| Prov. Govt. | 31,008,131 | 31,533,742— | 525,611 | 44,370,038— | 13.361,907 |
| Govt. Advances | 30,400,000 | 12,700,000+ | 17,700,000 | 31,200,000— | 800,000 |
| **Deposits by Public** | | | | | |
| Demand Dep. | 595,325,125 | 533,299,560+ | 62,025,565 | 559,839,758+ | 35,485,367 |
| Savings Dep. | 1,237,611,267 | 1,231,861,390+ | 5,749,877 | 1,180,037,130+ | 57,574,137 |
| Total | $1,832,936,392 | $1.765,160,950+ | $67,775,442 | $1,739,876,888+ | $93,059,504 |
| Foreign Dep. | 333,519,621 | 342,606,113— | 9,086,492 | 299,780,587+ | 33,739,034 |
| **Due to Banks Abroad, Etc.** | | | | | |
| U. Kingdom | $7,244,306 | $8,068,657— | $ 824,351 | $4,493.849+ | $2,750,457 |
| Foreign | 27,280,603 | 33,742,852— | 6,462,249 | 29,582,206— | 2,301,603 |
| Bills pay | 11,261,383 | 10,557,867+ | 703,516 | 5,648,059+ | 5,613,324 |
| Lets. of Cred. | 60,760,831 | 66,091,694— | 5,330,863 | 50,657,705+ | 10,103,126 |
| Other Liab. | 1,871,123 | 1,620,948+ | 250,175 | 1,903,200— | 32,077 |
| Pub. Liab. | $2,526,684,257 | $2,474,045,363+ | $52.638,894 | $2,425,484,875+ | $101,199,382 |
| Due Bet. Banks | 23,030,215 | 15,906.108+ | 7,124,107 | 12,882,745+ | 10,147,470 |
| **Liability to Shareholders** | | | | | |
| Dividends | $ 922,646 | $ 3,752,389— | $ 2,829,743 | $ 844,253+ | $ 78,393 |
| Reserve | 122,875,000 | 122,875,000 | .......... | 123,625,000— | 750,000 |
| Capital | 121,909,560 | 121,909,560 | .......... | 123,409,130— | 1,499,570 |
| Gross | $2,795,421,678 | $2,738,488,420+ | $56,933,258 | $2,686,246,003+ | $109,175,675 |

**Burroughs**



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### Dominion Combing Mills Factory on Full Time

Dominion Combing Mills factory at Trenton is working full time on orders, according to the secretary of the company. Only recently they were working day and night, to catch up with a large contract. The bulk of the orders are Canadian origin but they have also had some nice ones from U.S. sources. The annual report will soon be out, the auditors having about completed their task. It is stated that the showing will be fairly good. Practically all the stock of the company, $1,000,000, 8 per cent. cumulative, preferred, par $100, and $1,500,000 common, par $50, has been disposed of except for a few odd lots and some re-sales. Final sales by the company were on a basis of par for the preferred and $25 for the common.

The whaling industry in British Columbia produces annually about 400 tons of whale bone meal and 900 tons of meat and blood for fertilizing purposes. A small quantity of this is sold as fertilizer in the province and the remainder is exported, principally to the United States.

# Return of the Chartered Banks of the Dominion of Canada, December 31, 1924

### Made to the Minister of Finance in conformity with Section 112 of the Bank Act, Chapter 32, of the Statutes of 1923

**LIABILITIES**

| NAME OF BANK | Notes in circulation | Due to Dominion Government | Advances under Finance Act | Due to Provincial Governm'nts | Demand Deposits in Canada | Notice Deposits in Canada | Deposits elsewhere | Bal. due to other Bks. in Canada | Due to Banks in U.K. | Due to Banks elsewhere | Bills Payable |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ |
| Montreal | 38,316,090 | 14,195,410 | .......... | 5,326,851 | 155,815,295 | 315,053,623 | 86,949,238 | 8,329,903 | 33,675 | 909,329 | 256,764 |
| Nova Scotia | 14,143,160 | 1,715,057 | .......... | 1,774,498 | 30,041,542 | 112,940,846 | 33,471,517 | 3,322,000 | 559,203 | 1,641,188 | 401,415 |
| Toronto | 7,022,102 | 126,695 | 300,000 | 1,074,019 | 30,312,476 | 49,723,728 | .......... | 4,227,467 | 163,408 | 847,438 | .......... |
| Molsons | 4,927,082 | 127,348 | .......... | 823,454 | 13,241,122 | 40,190,719 | .......... | 516,813 | 7,286 | 156,856 | .......... |
| Provinciale | 3,552,663 | 93,569 | .......... | 130,601 | 4,744,024 | 29,215,326 | .......... | 11 | .......... | 162 | .......... |
| Union | 9,024,125 | 1,427,988 | .......... | 6,379,254 | 32,362,976 | 51,878,226 | 5,995,437 | 637,989 | 4,071,436 | 1,000,202 | .......... |
| Commerce | 26,107,719 | 3,519,493 | 8,000,000 | 5,604,843 | 130,613,694 | 204,482,310 | 46,436,038 | 544,099 | 1,532,369 | 7,745,469 | 4,003,309 |
| Royal | 28,690,968 | 1,610,744 | 12,000,000 | 3,075,167 | 103,174,947 | 200,019,294 | 154,528,210 | 830,634 | 205,208 | 11,319,712 | 6,565,986 |
| Dominion | 6,684,596 | 297,656 | 4,300,000 | 1,448,073 | 29,547,876 | 56,013,419 | 4,071,260 | 2,100,288 | 269,223 | 949,714 | 24,937 |
| Standard | 4,888,295 | 195,117 | 3,000,000 | 1,003,216 | 15,400,935 | 34.602,825 | .......... | 835,612 | 261,361 | 368,177 | 8,972 |
| d'Hochelaga | 11,361,344 | 450,085 | .......... | 1,114,041 | 19,132,751 | 74,168,706 | 2,067,921 | 3,255 | 112,603 | 1,392,180 | .......... |
| Imperial | 9,036,114 | 841,793 | .......... | 2,573,237 | 25,840,918 | 58,132,134 | .......... | 1,048,924 | 4,730 | 240,896 | .......... |
| Sterling | 1,191,963 | 68,532 | 2,800,000 | 642,030 | 3,394,789 | 9,536,603 | .......... | 633,220 | 23,804 | 693,829 | .......... |
| Weyburn Security | 725,922 | 60,237 | .......... | 38,847 | 1,701,780 | 1,653,508 | .......... | .......... | .......... | 15,451 | .......... |
| Total | 165,672,143 | 24,729,724 | 30,400,000 | 31,008,131 | 595,325,125 | 1,237,611,267 | 333,519,621 | 23,030,215 | 7,244,306 | 27,280,603 | 11,261,383 |

| NAME OF BANK | Letters of Credit | Other Liabilities | Dividends Declared & unpaid | Reserve Fund | Capital paid up | Total Liabilities | Capital authorized | % last dividend | Loans to Directors | Average gold and coin held | Average Dominion notes held | Greatest amount notes in cir. |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | $ | | $ | $ | $ | $ | $ | % | $ | $ | $ | $ |
| Montreal | 8,425,955 | 713,688 | 29,570 | 27,250,000 | 27,250,000 | 688,855,397 | 31,175,000 | 12 | 783,837 | 13,853,072 | 67,984,505 | 41,174,300 |
| Nova Scotia | 4,509,977 | .......... | 402,472 | 19,500,000 | 10,000,000 | 234,422,879 | 15,000,000 | 16 | 1,542,139 | 9,547,269 | 13,986,941 | 15,518,638 |
| Toronto | 1,337,401 | 141,110 | 2,927 | 6,000,000 | 5,000,000 | 106,278,776 | 10,000,000 | 12 | 975,323 | 978,874 | 5,621,683 | 7,796,935 |
| Molsons | 921,159 | 354,784 | 121,558 | 3,000,000 | 4,000,000 | 68,388,186 | 5,000,000 | 12 | 199,148 | 583,157 | 5,119,352 | 5,324,952 |
| Provinciale | .......... | 64,047 | 5,158 | 1,500,000 | 3,000,000 | 42,305,565 | 5,000,000 | 9 | .......... | 170,162 | 296,194 | 3,774,878 |
| Union | 3,826,160 | 1,703 | 17,013 | 1,750,000 | 8,000,000 | 126,372,513 | 15,000,000 | 8 | 921,914 | 1,106,548 | 8,031,809 | 10,006,630 |
| Commerce | 10,238,543 | .......... | 20,242 | 20,000,000 | 20,000,000 | 488,848,132 | 25,000,000 | 12 | 4,624,304 | 16,883,000 | 21,842,000 | 28,886,234 |
| Royal | 28,199,918 | .......... | 42,351 | 20,400,000 | 20,400,000 | 591,063,143 | 25,000,000 | 12 | 1,115,432 | 10,077,835 | 19,754,359 | 31,138,020 |
| Dominion | 2,145,816 | 545,459 | 240,886 | 7,000,000 | 6,000,000 | 121,639,208 | 10,000,000 | 12 | 906,138 | 2,154,000 | 5,325,000 | 7,497,684 |
| Standard | 180,160 | .......... | 965 | 2,750,000 | 4,000,000 | 67,495,640 | 5,000,000 | 12 | 237,500 | 1,084,453 | 3,050,392 | 5,266,340 |
| d'Hochelaga | 640,286 | .......... | 4,756 | 5,500,000 | 5,500,000 | 121,447,933 | 10,000,000 | 10 | 174,353 | 932,868 | 4,226,871 | 11,677,944 |
| Imperial | 332,593 | .......... | 3,493 | 7,500,000 | 7,000,000 | 112,554,835 | 10,000,000 | 12 | 187,481 | 2,082,294 | 7,375,356 | 10,207,532 |
| Sterling | 2,863 | .......... | 17,937 | 500,000 | 1,235,000 | 20,740,575 | 3,000,000 | 8 | 414,992 | 73,261 | 591,178 | 1,306,358 |
| Weyburn Security | .......... | 50,271 | 13,318 | 225,000 | 524,560 | 5,008,896 | 1,000,000 | 5 | 64,281 | 18,648 | 54,012 | 893,012 |
| Total | 60,760,831 | 1,871,062 | 922,646 | 122,875,000 | 121,909,560 | 2,795,421,678 | 170,175,000 | ...... | 12,146,842 | 59,545,441 | 163,259,652 | 180,469,45 |

**ASSETS**

| NAME OF BANK | Current Gold and Subsidiary Coin | Dominion Notes | Notes of other banks | United States and other foreign currencies | Cheques on other banks | Balances due from banks in Canada | Due from banks elsewhere | Government securities | Canadian municipal British and foreign Securities | Railway and other bonds and stocks | Call loans in Canada | Call loans elsewhere |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ |
| Montreal* | 15,496,903 | 79,803,591 | 3,644,755 | 615,426 | 33,869,176 | ........ | 25,489,147 | 67,219,777 | 44,093,294 | 4,965,878 | 7,542,690 | 129,032,962 |
| Nova Scotia | 9,467,089 | 21,416,576 | 1,087,165 | 2,312,324 | 13,397,691 | ........ | 2,213,548 | 27,267,804 | 10,832,815 | 11,196,002 | 13,309,795 | 10,376,294 |
| Toronto | 984,460 | 4,978,280 | 578,910 | 93,388 | 8,375,394 | ........ | 2,817,099 | 15,501,925 | 9,125,115 | 2,452,663 | 8,776,938 | .......... |
| Molsons | 581,720 | 4,886,473 | 490,130 | 92,110 | 4,029,281 | 3,006,184 | 1,458,196 | 6,280,128 | 1,433,462 | 912,289 | 3,414,185 | 1,500,000 |
| Provinciale | 168,727 | 317,271 | 585,885 | 34,784 | 1,838,365 | 4,733,988 | 311,941 | 4,571,796 | 1,315,315 | 2,218,464 | 6,387,228 | .......... |
| Union | 1,120,063 | 6,261,475 | 951,585 | 88,931 | 5,256,503 | 129,003 | 2,409,676 | 14,855,263 | 8,005,090 | 3,516,693 | 13,354,934 | 4,841,599 |
| Commerce | 10,344,219 | 15,848,349 | 2,274,835 | 1,804,480 | 27,958,618 | 2,640 | 13,829,798 | 60,254,171 | 24,313,376 | 9,551,373 | 29,527,890 | 19,032,255 |
| †Royal | 12,512,715 | 22,602,566 | 3,249,924 | 23,718,801 | 31,127,657 | 1,167 | 22,213,222 | 65,938,794 | 30,423,789 | 21,716,548 | 23,448,470 | 16,820,595 |
| Dominion | 2,157,911 | 10,982,524 | 859,840 | 126,104 | 8,882,788 | 7,906 | 3,136,208 | 14,574,325 | 4,725,489 | 2,367,910 | 5,159,718 | 2,369,395 |
| Standard | 965,639 | 3,633,017 | 388,155 | 41,926 | 3,992,598 | 100,000 | 750,893 | 7,369,443 | 3,106,611 | 295,913 | 5,926,309 | 500,000 |
| xd'Hochelaga | 943,910 | 3,259,243 | 1,470,375 | 175,995 | 4,350,294 | 526,939 | 2,696,780 | 18,528,766 | 5,729,558 | 1,646,601 | 6,354,912 | .......... |
| Imperial | 2,099,867 | 7,124,070 | 951,196 | 230,250 | 6,764,336 | 712,258 | 1,608,737 | 12,839,319 | 5,170,842 | 197,766 | 4,750,695 | 2,750,000 |
| Sterling | 75,268 | 1,022,523 | 222,630 | 11,315 | 660,796 | 7,107 | 323,460 | 8,912,564 | 1,314,670 | 472,710 | 44,420 | .......... |
| Weyburn Security | 18,935 | 52,211 | 22,948 | 1,452 | 60,727 | 1,280,177 | 44,493 | 357,468 | 9,314 | 91,750 | 200,000 | .......... |
| Total | 56,937,426 | 182,188,169 | 16,778,333 | 29,347,286 | 150,564,224 | 10,507,369 | 79,303,198 | 324,471,543 | 149,598,740 | 61,602,560 | 128,198,184 | 187,223,100 |

| NAME OF BANK | Other current loans in Canada | Other current loans elsewhere | Loans to Municipalities and to provinces | Non-current loans | Real estate other than premises | Mortgages on real estate | Bank premises | Letters of Credit | Deposit for note circulation | In central gold reserves ** | Shares of and loans to controlled companies | Other assets | Total Assets |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ |
| Montreal* | 194,881,455 | 23,518,549 | 17,844,181 | 2,089,015 | 993,953 | 1,016,830 | 9,800,000 | 8,425,955 | 1,360,241 | 17,000,000 | 1,281,978 | 691,397 | 690,677,163 |
| Nova Scotia | 74,484,221 | 14,551,541 | 3,096,061 | 608,134 | 90,521 | 106,675 | 7,823,089 | 4,509,977 | 489,529 | 6,250,000 | .......... | 159,102 | 235,045,965 |
| Toronto | 44,645,853 | .......... | 1,809,903 | 239,843 | .......... | 92,869 | 3,354,435 | 1,337,401 | 255,033 | 2,500,000 | .......... | .......... | 107,919,517 |
| Molsons | 32,615,737 | .......... | 678,194 | 322,204 | 132,990 | 60,092 | 2,934,272 | 921,159 | 197,000 | 2,000,000 | 316,725 | 340,169 | 68,602,710 |
| Provinciale | 15,632,988 | .......... | 1,614,585 | 181,337 | 150,678 | 75,924 | 1,500,155 | .......... | 158,750 | 350,000 | .......... | 220,468 | 42,368,655 |
| Union | 46,138,743 | 1,411,678 | 5,671,216 | 1,055,809 | 568,589 | 364,113 | 2,166,914 | 3,826,160 | 420,000 | 2,100,000 | 2,149,300 | 1 | 126,663,347 |
| Commerce | 191,003,850 | 28,285,090 | 18,146,808 | 2,435,735 | 2,263,129 | 686,464 | 11,872,460 | 10,238,543 | 1,000,000 | 8,300,000 | 1,459,124 | 569,235 | 491,002,452 |
| †Royal | 137,050,692 | 115,307,850 | 7,958,674 | 2,016,034 | 1,694,681 | 432,827 | 13,451,229 | 28,199,918 | 1,020,000 | 11,000,000 | 200,501 | 481,557 | 592,588,220 |
| Dominion | 54,989,837 | 1,500,417 | 703,307 | 347,038 | 90,263 | 21,034 | 6,038,084 | 2,145,816 | 328,860 | 800,000 | .......... | 224,551 | 122,539,333 |
| Standard | 33,978,959 | .......... | 1,260,589 | 644,438 | 243,255 | 75,725 | 1,899,634 | 180,160 | 2,151,000 | 600,000 | .......... | 40,534 | 68,144,805 |
| xd'Hochelaga | 54,510,318 | 637 | 7,113,840 | 247,960 | 1,486,198 | 484,366 | 5,234,696 | 640,286 | 361,708 | 6,000,000 | .......... | 162,507 | 121,925,898 |
| Imperial | 51,943,923 | .......... | 5,916,247 | 374,523 | 473,243 | 370,442 | 5,072,717 | 332,593 | 342,985 | 3,502,533 | .......... | 615,706 | 114,144,258 |
| Sterling | 4,962,796 | .......... | 603,146 | 182;750 | 20,204 | 20,000 | 760,880 | 2,863 | 66,000 | .......... | 1,051,980 | 127,107 | 20,845,201 |
| Weyburn Security | 1,872,358 | .......... | 11,242 | 109,824 | 160,888 | 73,475 | 233,173 | .......... | 24,981 | 300,000 | .......... | 83,473 | 5,008,890 |
| Total | 938,711,730 | 184,575,762 | 72,427,993 | 10,854,644 | 8,368,592 | 3,880,836 | 72,141,738 | 60,760,831 | 8,176,087 | 60,702,533 | 6,439,608 | 3,715,807 | 2,807,476,420 |

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**Of this deposit $9,502,533 is in gold coin; the balance is in Dominion notes.

*The business of the branches of the bank in Paris, France, and in San Francisco, U.S.A., is carried on under the name of local incorporated companies in compliance with legal requirements of the respective countries, and the figures are incorporated in the above-mentioned general statement.—Footnote to Bank of Montreal return.

†The Royal Bank of Canada (France) has been incorporated under the laws of France to conduct the business of the bank in Paris. As the entire capital stock of the Royal Bank of Canada (France) is owned by the Royal Bank of Canada, the assets and liabilities of the former are included in the above return.—Footnote to Royal Bank return.

xThe assets and liabilities of the Banque Canadienne Nationale, France, same being considered a branch operating as a subsidiary of the Banque d'Hochelaga are included in above return.—Footnote to Banque d'Hochelaga return.

DEPARTMENT OF FINANCE, OTTAWA. February 11, 1925.

# SALARIED CLASS BIG PAYERS OF INCOME TAXES

## On the Other Hand Few Farmers Contribute to Fund

**From Our Own Correspondent**

OTTAWA.—The total income tax collections for the year ending March 31, 1924, were $56,138,763, from which refunds were deducted making the net total $54,205,027, of this $25,657,335 was from individuals and $28,546,692 from corporations.

**Revenue by Classes**

| | No. | Amount |
|---|---|---|
| Agrarians ........ | 4,663 | 275,626.72 |
| Professionals .... | 20,550 | 2,327,554.02 |
| Employees ....... | 176,089 | 13,726,066.15 |
| Merchants ....... | 17,031 | 2,816,351.77 |
| Manufacturers ... | 1,293 | 742,943.72 |
| All others ....... | 19,410 | 5,945,427.47 |
| Unclassified ..... | ...... | 533,798.70 |
| Total .......... | 239,036 | 25,657,335.21 |

Ontario paid about 42 per cent. of the whole income tax collections, or $24,666,094 out of the total $56,138,763 gross. Quebec came next with $19,566,412. Manitoba was third with $3,878,238; with British Columbia a close fourth totalling $3,646,965. Then Alberta with $1,495,847. Saskatchewan was next with $1,125,926; Nova Scotia with $1,074,705, followed by New Brunswick with $679,190. The Yukon with $53,047 paid $500 more than Prince Edward Island with $52,543.

In the payments made by individuals Ontario also had a long lead on the rest of the country, coming first with total collections of $11,424,004. Quebec is credited with $8,509,757. Manitoba comes next with $2,087,808, and British Columbia is credited with $1,616,927. Alberta collections were $864,139, and Saskatchewan's $829,649. Nova Scotia reported $511,627 and New Brunswick $449,494; while the Yukon reported $42,248 and Prince Edward Island $32,156.

Slightly over one-third of the income tax paid by individuals came from persons paying on $30,000 and over, these numbering 851 having paid $8,825,423. By far the largest number of persons paying belonged to the $1,000 and $6,000, these numbering 127,718 paid $3,066,579. The next largest class, between $2,000 and $6,000, numbered 94,580, contributed only $3,934,536. The 10,140 in the $6,000 to $10,000 class paid $3,187,011. The 4,700 in the $10,000 to $20,000 class paid $4,288,847. The 1,047 in the $20,000 to $30,000 class paid $2,521,615.

Of the 239,036 persons who paid the income tax, 103,390 were in Ontario, which means that the province claims well on to 50 per cent. of the total number paying. Quebec came next with 44,492 persons. Manitoba was third with 23,177; British Columbia next with 21,572, Saskatchewan next with 15,938, Alberta followed with 15,848. Then came Nova Scotia with 7,067, New Brunswick 6,278, the Yukon 643 and Prince Edward Island 531.

## Canadian Grain System Second to None in World

OTTAWA.—One of the most striking evidences of the high regard in which the Canadian grain handling and transportation features relating there are held comes from Great Britain, and is to be found in the grain enquiry commission's report.

Prof. W. J. Rutherford, a member of the commission, was sent to the British Isles and Holland for the purpose of making enquiries respecting the handling of Canadian grain over there, and this is one of the statements he made when he came back:

"The Canadian system of handling and exporting grain is considered by importers and bankers, and the trade generally, as being the best in the world—most expeditious, most economical. The f.a.q. contract system in practice with all countries except Canada and the United States is not as good as the Canadian system—too much delay, too many disputes, etc."

# DOMINION STORES' PROFITS HIGHER

## Company Operating 354 Stores With Over Ten Million Turnover

Dominion Stores net profits after all charges were taken care of totalled $187,399 last year, compared with $131,000 in 1923 and $110,092 in 1922. Preferred dividends and taxes reduced this to $106,871, the amount available for the common shares is $4.20 for the 25,000 common outstanding and on which dividends of $1 a share were paid. Surplus now stands at $344,695.

Gross sales of the company for the year totalled $10,348,233 compared with $7,663,000 in 1923; $5,059,508, 1922; $3,461,153, 1921; $2,401,631, 1920. The increase per store was about $2,000 ahead of a year ago. Costs were cut, labor standing at 25 instead of 46%. The year saw 67 new stores added to the company's operations, making 354 in all. Opening of stores in the Maritimes is being considered, Pres. W. J. Pentland told shareholders. During the year the company suffered a blow when its warehouse was burned, necessitating purchasing $300,000 worth of merchandise from wholesalers at prices higher than usually paid and it also meant increased overhead by enlarging the staff.

Profit and loss account follows:

| | 1924 | 1923 |
|---|---|---|
| Net Profits ............... | $187,399 | $131,000 |
| Less— | | |
| Pref. Div. ............... | 65,012 | |
| Taxes ...... ........... | 14,016 | |
| Option acc. ........, ... | 1,500 | |
| Common div. ........... | 25,000 | |
| | $81,871 | |
| Balance forward ........ | 262,824 | |
| Surplus ...... ..........  | $344,695 | |

Earnings by years with the number of stores follows:

| Year | No. Stores | Earnings |
|---|---|---|
| 1920 | 62 | $2,401,631 |
| 1921 | 122 | 3,461,153 |
| 1922 | 190 | 5,059,506 |
| 1923 | 287 | 7,663,000 |
| 1924 | 354 | 10,348,233 |

An analysis of the earnings shows a net profit of 1.8 per cent. in 1924, which is higher than the 1.68 per cent. in 1923, but slightly less than the percentage in 1922. By assuming there were 325 stores opened throughout 1924 the average sales per store would amount to $31,840. This is an increase over 1923 and previous years.

## New England Estate Fight Over National Cement Stock

**From Our Own Correspondent.**

MONTREAL.—A large block of stock of National Cement Company figures in a New England court action. John F. Hurley, of Boston, filed a bill in equity in the superior court in Boston against Emelie Laplante, of Fall River, executrix of the will of Isaie Laplante of Fall River, and against Arthur J. B. Cartier and Edmund Cote, both of Fall River.

He aims to establish his right to one-half of the $1,509,000 par value common stock of the National Cement Company left by the testator, and to enjoin the defendants from disposing of this stock pending a hearing of his case.

Mr. Hurley alleges Mr. Laplante died in January, 1924, owning when he died, $1,500,000 worth common of National Cement Company stock.

Plaintiff alleges the defendant executrix, who as executrix took title to the stock, caused large portions of the stock of the National Cement Company to be transferred to the other two defendants without consideration and with knowledge on the part of the three defendants of contracts between Laplante and plaintiff and that she has not now enough of the stock in her hands to pay to plaintiff the share of same due him.

National Cement Company has been building a plant in Montreal East.

## Canada Bread Common is Being Tightly Held

Not a share of Canada Bread common came out during the past week until Wednesday. The only offerings for six days was at 120 and there was no rush to take up the offering, though in the previous two weeks 260 shares changed hands at this price with a couple of small lots bringing an eighth higher. It is interesting to note that just a year ago this stock was selling freely at 73 and later sold down to 63 in March, the low for the year. Up to the end of December it sold up to 95 until the last couple of days of the year when there was a spurt accompanied by a 10 point rise to 105. The low for this year was 101, Jan. 1. Wednesday it broke to 110 and then 115. The steady improvement in the position of the company and the talk that New York interests are out to purchase control of the company which operates in several cities, has carried the shares up to the present level.

## City Dairy Common Has Had a Very Steady Rise

The offering of a large block of City Dairy common caused that issue to recede 2½ points from its high of 85½ which compared with the low of the year of 65. City Dairy shares were split last midsummer and the new shares first changed hands at 45, so that the new high means an advance of $40 a share in less than a year or equal to an increase of $160 in the market value of the old shares. General investment buying is said to have caused the recent buying. Insiders buying were responsible for the previous rise. There has been talk that a dividend increase was to be expected, but there are no indications of any such move. At the present price the yield is under 4 per cent.

### B. C. FISHING

During the past week shares of B.C. Fishing bettered by 5 points to 32 or 13 points above the 1925 low and almost 4 times the 1924 low of 8½. The annual report of the company is expected shortly and indications are that a much better showing will be made. In fact it is believed that a substantial profit is possible.

### WHALEN PULP

The Whalen Pulp and Paper Co., Vancouver, B.C., has leased its Swanson Bay sawmill to the Southern Alberta Lumber Co. for a period of several months, to allow the lumber company to cut its own requirements.

# STANDARD BANK IS IN STRONGER LIQUID POSITION

## Results of Amalgamation With Sterling Are Evident

As the result of the amalgamation with the Sterling Bank which formally went into effect on December 31, 1924, the annual statement of the Standard Bank for the year ending January 31, and therefore representing the merged institutions, can only be compared in an indefinite way with the preceding report of the institution. However, there having been only one month intervening between the consolidation and the making up of the report, earnings would not be greatly affected. The profits of $688,682, compared with $695,095 in the previous Standard report. Dividends of 12 per cent. were paid, the rate having been reduced by one per cent.; $150,000 was added to reserve. Following are comparative figures:

**Profit and Loss**

| | 1924 | 1923 | 1922 |
|---|---|---|---|
| Profits ......... | $688,682 | $695,095 | $728,074 |
| Pension ........ | 25,000 | 25,000 | 25,000 |
| Taxes .......... | 50,000 | 55,000 | 55,000 |
| Tax on acc. .... | 40,000 | 40,000 | 40,000 |
| | $115,000 | $120,000 | $120,000 |
| | $573,682 | $575,095 | $608,074 |
| Dividends ....... | 488,234 | 520,000 | 560,000 |
| Reserve ........ | 150,000 | ...... | ...... |
| | *$. 64,552 | $ 55,095 | $ 48,074 |
| Bal. forward ... | 215,661 | 160,566 | 112,492 |
| Balance ........ | $151,109 | $215,661 | $160,566 |

* Debit.

**Eleven Year Record**

| Year | Earnings | xRate Rest | % on Cap. | Div. |
|---|---|---|---|---|
| 1924 ......... | $688,682 | 8.92 | 14.28 | 12 |
| 1923 ......... | 695,095 | 10.37 | 17.37 | 13 |
| 1922 ......... | 728,074 | 8.09 | 18.20 | 14 |
| 1921 ......... | 725,014 | 8.05 | 18.12 | 14 |
| 1920 ......... | 784,369 | 9.11 | 20.63 | 14 |
| 1919 ......... | 776,310 | 9.70 | 22.17 | 13 |
| 1918 ......... | 697,443 | 8.71 | 19.91 | 13 |
| 1917 ......... | 649,546 | 8.21 | 19.08 | 13 |
| 1916 ......... | 580,230 | 7.63 | 17.59 | 13 |
| 1915 ......... | 563,401 | 8.04 | 18.78 | 13 |
| 1914 ......... | 621,403 | 9.22 | 21.28 | 13 |

x On capital and rest.

Important changes are shown in the bank premises account, which is carried at $3,752,051 in the current report. This compares with $1,900,026 in the report for the preceding year, and the additions are explained by the Sterling Bank premises, which were carried at $700,000 approximately, and additional properties valued at over $1,000,000, which were carried separately. Another noteworthy change is in the reserve fund, which is shown at $2,900,000 for the combined organization. This compares with the Standard Bank's reserve fund of $2,750,000 at the close of the preceding year. This represents an increase of $150,000. The Sterling Bank reserve fund amounted to $500,000. It is apparent that a substantial amount has been added to the bank's inside reserve.

The general statement shows liabilities amounting to $83,520,820, which compares with $69,637,685 for Standard Bank, according to the preceding annual report. Total deposits amount to $63,432,377, which represents a gain of approximately $12,000,000, not inclusive of Sterling Bank deposits, which were added during the course of the year. The company shows capital stock paid in amounting to $4,834,400, as against $4,000,000 in the preceding year, and this is accounted for by the issue of 8,234 shares in connection with the merger with Sterling Bank.

**IMMEDIATELY AVAILABLE LIQUID ASSETS**

| | 1924 | 1923 | Change |
|---|---|---|---|
| Specie | $1,041,735 | $ 1,291,918— | $ 250,183 |
| Dom. notes | 8,527,541 | 8,562,381— | 34,840 |
| Note cir. dep. | 273,000 | 200,000+ | 73,000 |
| Notes, bk. | 523,927 | 279,741+ | 244,186 |
| Bk. bal. | —100,000 | 100,000 | ...... |
| Do., ab'd. | 1,101,039 | 682,970+ | 418,069 |
| Gov. secs. | 14,382,293 | 8,640,829+ | 5,741,464 |
| Cheques | 2,859,218 | 3,423,274— | 564,056 |
| Gold res. | 1,100,000 | 700,000+ | 400,000 |
| Call lo'ns ab'd. | 300,000 | .......+ | 300,000 |
| For. currencies | 41,826 | 13,157+ | 28,669 |
| | $3,250,579 | $23,894,270+ | $ 6,356,209 |
| % total assets | 36.2 | 34.3+ | 1.9 |
| % total liab. to public | 40.0 | 38.2+ | 1.8 |
| **Other Assets** | | | |
| Public secs. | $3,148,198 | $2,306,992+ | $ 841,206 |
| Other secs. | 450,475 | 133,417+ | 317,058 |
| Call loans | 6,469,330 | 2,984,293+ | 3,485,037 |
| Current | 36,077,031 | 35,653,253+ | 423,778 |
| Mortgages | 166,356 | 77,670+ | 88,686 |
| Lets of credit | 311,201 | 130,605+ | 180,596 |
| Real Estate | 275,323 | 323,408— | 48,085 |
| Premises | 3,752,057 | 1,900,026+ | 1,852,025 |
| Mun. loans | 1,798,201 | 1,508,657+ | 289,544 |
| Non.-curr. loans | 741,699 | 673,934+ | 67,765 |
| Other assets | 80,376 | 51,159+ | 29,217 |
| | $ 53,270,241 | $45,743,415+ | $ 7,526,826 |
| Tot. assets | $83,520,820 | $69,637,685+ | $13,883,135 |
| **Liabilities to Public** | | | |
| Circulat'n. | $5,787,229 | $4,580,865+ | 1,206,364 |
| Dem. dep. | 11,383,938 | 11,114,922+ | 269,016 |
| Savings | 52,048,439 | 40,478,339+ | 11,570,100 |
| Due banks | 67,219 | 65,038+ | 2,181 |
| Due else. | 2,274,920 | 3,506,152— | 1,231,232 |
| Lets. of cred. | 311,201 | 130,605+ | 180,596 |
| Dep. by bks. | 1,000,988 | 671,261+ | 329,727 |
| Bills payable | 2,789 | 415+ | 2,374 |
| Advances | 2,300,000 | 2,000,000+ | 300,000 |
| Other liab. | 323,762 | 3,697+ | 320,065 |
| | $75,500,485 | $62,551,294+ | $12,949,191 |
| **To Shareholders** | | | |
| Capital | $4,823,400 | $ 4,000,000+ | $ 823,400 |
| Reserve | 2,900,000 | 2,750,000+ | 150,000 |
| Dividends | 145,825 | 120,729+ | 25,096 |
| Balance | 151,110 | 215,662— | 64,552 |
| | $8,020,335 | $ 7,086,391+ | $ 933,944 |
| Total liab. | $83,520,820 | $69,637,685+ | $13,883,135 |

The liquid position, it will be noted, has been greatly improved.

### ALBERTA FLOUR MILLS PLANT

CALGARY.—Speculation is somewhat rife in the west, as to when Spillers' representatives will return from the Old Country. When some of the directors of the big British milling company were here some months ago, definite assurance was given that work on the uncompleted mill in Calgary, taken over from the Alberta Flour Mills, would be started this spring in order that it might be completed to commence milling Alberta wheat in 1926. No word has been received of any such plans going ahead.

### ASBESTOS CORPORATION

The earnings of the Asbestos Corporation for the month of January is reported to be in the vicinity of $50,000 before the deduction of $12,500 for bond interest is made.

This is substantially ahead of the best month the company enjoyed in 1924, when $30,626 was earned in September after the bond interest had been taken off.

The net amount earned for January is about $37,500, which compares with a deficit of $15,000 for the same period a year ago.

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# Provincial Paper Mills, Limited

## ANNUAL MEETING

### HELD ON

### Wednesday, February 18th, 1925

TO THE SHAREHOLDERS:

Your Directors submit herewith Annual Statement showing financial position of your Company at December 31st, 1924. The accounts have been audited and the statement submitted herewith approved by P. S. Ross and Sons, Chartered Accountants.

Provision has been made for the Income Tax payable in 1925 and $280,000.00 transferred to reserve for depreciation or $50,000.00 more than in the previous year.

The losses from bad debts during the year have only been $181.4 but you will note that $8,000.00 has been added to the reserve for doubtful accounts although at the present there are no apparent indications that it will soon be required.

The Bills Payable or Bank Loans, have been reduced during the year from $325,000.00 to $150,000.00. Since December 31st, these have been further reduced to $85,000.00 and it is anticipated that this account will be entirely paid off within the next two or three months, leaving the Company only owing its Bond obligations and current accounts and with its annual supply of pulp wood practically paid for.

The capacity of the Ground Wood mill at Port Arthur was doubled during the year and a new and much needed Storehouse was built at Mille Roches. These account for most of the $112,000.00 added to Capital Account.

The market generally was unsatisfactory, orders being small and requiring much care and attention in both the manufacture and selling departments.

There was some improvement in manufacturing conditions and the Company also derived considerable benefit from the first full year's operation of the new Paper Mill and Ground Wood Mill at Port Arthur, all of which are reflected in the increased profits shown as compared with the previous year.

With a fair proportion of our product contracted for at slightly advanced prices and some improvement in demand, it seems only reasonable to think that the results this year should be as good as for the year just closed.

Submitted on behalf of the Directors by

I. H. WELDON,
President.

Toronto, February 18th, 1925.

**STATEMENT DECEMBER 31st, 1924**

**ASSETS**

| | | |
|---|---|---|
| **Property and Plant:** | | |
| Real Estate, Buildings, Equipment, etc. .............. | | $6,959,892.1 |
| **Current Assets:** | | |
| Cash on hand and in Banks ............ | $ 164,968.41 | |
| Bills Receivable ...................... | 102,762.77 | |
| Accounts Receivable, Less Reserve for Doubtful Accounts .................. | 642,087.89 | |
| Inventory—Stock, Supplies, Paper, Prepaid Insurance, Pulpwood Including Advances on 1925 Operations .......... | 1,198,467.37 | |
| | | $2,108,286.44 |
| **Other Assets:** | | |
| Government Deposit on Timber Limits .. | $ 100,000.00 | |
| Investments ............................ | 50,856.23 | |
| Bond Discount ......................... | 70,000.00 | |
| | | $ 220,85 |
| | | $9,289,034.7 |

**LIABILITIES:**

| | | |
|---|---|---|
| **Capital Stock:** | | |
| Common—Authorized ................. | $7,600,000.00 | |
| Less Unissued ............... | 4,100,000.00 | |
| | | $3,500,000.00 |
| Preferred—Authorized ............... | $2,400,000.00 | |
| Less Unissued ............... | 700,000.00 | |
| | | $1,700,000.00 |
| **Mortgage Debts:** | | |
| Bonds, 20 year, 6%, due 1940: Authorized—$3,000,000.00. Issued..... | $1,500,000.00 | |
| Less Bond Sinking Fund .......... | 75,000.00 | |
| | | $1,425,000.00 |
| **Current Liabilities:** | | |
| Bank Loans ........................ | $ 150,000.00 | |
| Accounts Payable, Including Accrued Expenses and Reserve for Contingencies and Income Tax Payable 1925 ...... | 404,716.64 | |
| Dividend on Preferred Stock, 1¾%, payable January 2nd, 1925 .............. | 29,750.00 | |
| Dividend on Common Stock, 1½%, payable January 2nd, 1925 ............ | 52,500.00 | |
| | | $ 636,966.6 |
| **Other Liabilities:** | | |
| Reserve for Depreciation on Buildings and Plant ..... | | $1,313,147.0 |
| Surplus ........................................ | | 713,921.10 |
| | | $9,289,034.77 |

**INCOME ACCOUNT For Year Ending December 31st, 1924**

| | | |
|---|---|---|
| Surplus, December 31st, 1923 ............ | $665,151.25 | |
| Less Transferred to Reserve for Depreciation to adjust account as allowed by Government for Income Tax .......... | 59,985.85 | |
| | | $ 605,165.40 |
| Manufacturing Profit for year ............ | $878,012.68 | |
| Sundry Revenue ........................ | 8,755.78 | |
| | | $ 886,768.46 |
| | | $1,491,933.86 |
| Less Interest on Bonds and Loans .............. | | 97,963.58 |
| | | $1,393,970.28 |
| Reserve for Depreciation of Buildings and Plant ....................... | $280,000.00 | |
| Added to Reserve for Doubtful Accounts | 8,025.78 | |
| Written off Bond Discount ........... | 13,023.40 | |
| Reserve for Income Tax Payable in 1925 | 50,000.00 | |
| | | $ 351,049.18 |
| | | $1,042,921.10 |
| Dividends on Preferred Stock—7% .... | $119,000.00 | |
| Dividends on Common Stock—6% ..... | 210,000.00 | |
| | | $ 329,000.00 |
| Surplus, December 31st, 1924 ............... | | $ 713,921.10 |

In our opinion the above statement of Assets and Liabilities correctly sets forth the position of affairs of the Provincial Paper Mills Limited, on the 31st day of December, 1924, as recorded in the Books of Account. All our requirements as Auditors have been complied with.

(Signed) P. S. ROSS & SONS,
Chartered Accountants.

Toronto, Ont., February 10th, 1925.

**OFFICERS AND BOARD OF DIRECTORS**

**1924**

I. H. WELDON, President T. A. WELDON, Vice-President

S. F. DUNCAN, Treasurer; W. S. BARBER, Secretary

Directors:—I. H. Weldon, T. A. Weldon, S. F. Duncan, Alex. Fasken, S. B. Monroe, A. B. Connable, R. S. Waldie, C. S. Campbell, Sir Charles Gordon, K.C.B.E.

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# Penmans Limited

*Corporate Office:* MONTREAL, QUE. *General Offices:* PARIS, ONT.

## ANNUAL REPORT

### For the Year ending December 31st, 1924

### BOARD OF DIRECTORS, 1924

President, SIR CHARLES GORDON, G.B.E. Vice-President, R. B. MORRICE
H. B. MacDOUGALL J. P. BLACK WM. McMASTER I. BONNER
J. N. LAING G. W GRIER V. E. MITCHELL, K.C., D.C.L.
H. BARRETT, General Manager C. B. ROBINSON, Secretary-Treasurer

### DIRECTORS' REPORT

YOUR Directors are pleased to submit to the Shareholders their Annual Report of the operations of the Company for the year ending 31st December, 1924.

The volume of business for the year was considerably curtailed, the sales amounting to $5,314,107 as compared with $6,847,877, showing a decrease of $1,533,770, equal to 22.40%. Part of this decrease is accounted for by lower prices and the falling off in dozens is not as serious as indicated by the values, but still your Company has experienced very keen competition and difficulty in securing the volume of business which the mills are capable of handling.

The Net Profit, after paying interest on Bonds and making allowance for Depreciation on Plant and Federal Income Tax, writing off Bad Debts and old Machinery, amounts to $351,372.15, from which we paid the usual quarterly dividends on the Preferred and Common Stocks, and in addition thereto a Bonus of 2% on the Common Stock, the total disbursement being $279,560.00, leaving a surplus for the year of $71,812.15.

We have paid the usual dividends and also the bonus of 2%, although strictly speaking the results for the year hardly warrant us in paying a bonus, and had it not been for the conservative policy which has been pursued for many years, whereby we built up strong reserves, we might have had to omit the bonus.

The Board of Directors wish to express their appreciation of the manner in which the staff and entire organization of the Company have performed their duties throughout the year.

The Books and Accounts of the Company have been audited during the year by C. S. Scott & Company, Hamilton, and their report is presented herewith.

Respectfully submitted,
C. B. GORDON, President.

### Profit and Loss Account for the Year Ending 31st December, 1924

| | | |
|---|---|---|
| Gross Trading Profits for year ending 31st Dec., 1924 | | $570,078.53 |
| **DEDUCT** | | |
| Interest on Bonds ...... | $100,000.00 | |
| Res. for Deprec. on Plant | 50,000.00 | |
| Res. for Income Tax | 25,000.00 | |
| Machinery written off | 18,838.60 | |
| Bad Debts written off | 24,867.78 | |
| | | 218,706.38 |
| Net Earnings for the year 1924.... | | $351,372.15 |

| **DISBURSEMENTS** | | |
|---|---|---|
| Pref. Dividend, 6% | $ 64,500.00 | |
| Com. Dividend, 8%.. | 172,048.00 | |
| Com. bonus, 2%...... | 43,012.00 | $279,560.00 |
| Surplus for the year............ | | $ 71,812.15 |
| Brought forward from 31st Dec., 1923 ..... .................. | | $1,229,454.80 |
| Bal. at Credit Profit and Loss Account ...... .......... | | $1,301,266.95 |

### General Statement as at the 31st December, 1294

**ASSETS**

| | | |
|---|---|---|
| **FIXED** | | |
| Comprising Real Estate, Buildings, Plant, Dwelling Houses, Water Powers, etc., Less Depreciation | | $3,731,601.57 |
| Goodwill, Trade Marks, etc. ..... | | 1.00 |
| **CURRENT** | | |
| Cash on hand and in Bank ... .... ....$. | 419,938.30 | |
| Accounts Receivable | 753,027.48 | |
| Bills Receivable ..... | 77,287.96 | |
| Unexpired Insurance | 26,750.10 | |
| Inventory of Raw and Manufactured Stock | 2,302,027.29 | |
| Investments—(Victory Bonds) .. .. | 204,100.00 | |
| TOTAL CURRENT ASSETS | | $3,783,131.13 |
| | | $7,514,733.70 |

**LIABILITIES**

| | | |
|---|---|---|
| **CAPITAL** | | |
| Authorized, pfd. .... | $1,500,000.00 | |
| Common ... ... | 2,500,000.00 | |
| | 4,000,000.00 | |
| Issued, preferred ... | 1,075,000.00 | |
| Common ... ... | 2,150,600.00 | |
| | | $3,225,600.00 |
| **5 PER CENT. FIRST MORTGAGE BONDS** | | |
| Due 1st Nov., 1926 ... | | 2,000,000.00 |
| Reserve Account .... | | 742,046.40 |
| **CURRENT LIABILITIES** | | |
| Unclaimed Divids. ... | $ 173.47 | |
| Accounts Payable ... | 191,763.79 | |
| Reserve for Inc. Tax.. | 25,000.00 | |
| Bills Payable ........ | 60.89 | |
| Wages ... ... ....... | 28,822.20 | |
| TOTAL CURR. LIABILITIES..... | | $245,820.35 |
| Surplus—Balance Profit & Loss Account ...... ............ | | 1,301,266.95 |
| | | $7,514,733.70 |

C. B. GORDON, President.
R. B. MORRICE, Vice-President.

We certify that we have audited the Books and Accounts of Penmans Limited for the year ended December 31, 1924, and have been furnished with vouchers for all expenditures.

We have obtained all the information and explanations that we have required, and in our opinion the Balance Sheet herewith is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs according to the best of our information and the explanations given to us, and as shown by the books of the Company.

C. S. SCOTT & COMPANY, Auditors.
per C. A. SCOTT, F.C.A.

Hamilton, February 11th, 1925.

Featuring Northern Quebec

THE FINANCIAL POST

*The Canadian Newspaper for Business Men and Investors*

PUBLICATION OFFICE: TORONTO, FEBRUARY 27, 1925

# NORANDA'S PLANS FOR HORNE SOON TO BE ANNOUNCED

### Notices of Annual Meeting Will Reveal Plans of Company

## ORE RESERVES LARGE

### *Ore Found* on 110 ft. Level Proves Richer Than Indicated by the Diamond Drill Cores

By D. E. CUSHING,
Mining Editor, The Financial Post.

Early in March, shareholders of Noranda will be acquainted with the company's future plans in regard to the Horne property in Rouyn, Que. There have been rumors that the capital was to be increased to $15,000,000. It is now $500,000. Pres. J. Y. Murdock intimates that the notice of the annual meeting in March will outline to the shareholders the future plans of the directors. These will involve plans to bring the property to production, and the means of financing. Noranda's plans have been held more or less in abeyance awaiting some announcement in regard to the transportation problem. With the C. N. R. already committed to building a line, and the announcement of the T. and N. O. pending, the decks are cleared for action.

Developments during the year on the Horne have been very important. Pres. J. Y. Murdock, in a letter to THE FINANCIAL POST, recently confirmed reports that diamond drilling from the 110-ft. level have proven the downward extension to the second level of the known ore bodies. Thus, if developments check with this drilling, it will mean that previous ore reserve estimates will be doubled. On the other hand, a deep drill hole to 400-ft. indicates downward continuance to that level. What is also important is the statement of Mr. Murdock that cross-cutting and drifting on the 110-ft. level, to open up the ore bodies indicated by the drill holes, have revealed that the ore is materially richer and wider than was calculated as a result of the drilling. As an instance, he cites the fact that the last 25 feet of drifting reported on showed an average value across the width of the drift of $18.80 in gold and 6.73 per cent. in copper.

The drilling from the 110-ft. level was undertaken prior to resuming the sinking of No. 1 shaft. Mr. Murdock's comment on this is "both of these holes were very successful and assure the finding of wide bodies of high-grade chalcopyrite-gold ore on the second level. The No. 1 shaft will be immediately sunk to that level."

**Means 30 Million in Ore**

Accompanying the present article is a table of the drilling results down to the first 110 feet. The log of the drills for the second 110 feet has not been made public, but judging from the statement made above by Mr. Murdock, it would seem that the correct thing to do is assume that the holes to the 110-ft. level are just twice their depth. The figures which accompany this drilling log show that the estimate from the first drilling was that $7,602,000 in ore was indicated. As Mr. Murdock's latest statement doubles this, it means that down to 220-feet, Noranda has indicated ore to the value of $15,000,000.

With the exception of a horse of 10 feet of diabase the average of all assays from top to bottom of No. 1 shaft, sampling on all four sides every five feet show copper 16 per cent., gold $6.63, equal to a gross value of $43.28 per ton, taking copper at 13c. per pound.

A second shaft (No. 2) located about 1,000 feet north of No. 1 shaft has reached a depth of near 100 feet, and entered an ore body previously disclosed by four diamond drill holes.

A third ore body has been located about half way between Nos. 1 and 2 shafts. This will be developed underground from No. 1 shaft. It was cut by two drill holes, one at a vertical depth of 455 ft., thus positively demonstrating the extension of these deposits to at least this depth.

**Different Ore**

A fourth ore section is indicated by drilling about 400 feet northwest of No. 2 shaft.

A fifth ore body, 700 feet northeast of No. 1 shaft, has recently been extended 300 feet by four drill holes. This body is of particular interest, as a large width of good grade, free milling (cyanide process) gold ore is indicated.

A sixth and entirely new ore body is indicated by the results of a recently completed diamond drill hole located 350 feet east of No. 1 shaft. Assay results of 109 feet of core (equivalent to a horizontal width of 89.4 feet) gave $2.50 in gold and 2.3 per cent. copper. ($8.40 ore at 13c. copper.) Included in this section 59 ft. (equal to a horizontal width of 48.4 feet) ran $3.31 in gold and 3.26 per cent. copper, or $11.78 ore. This ore is disseminated and can be cheaply concentrated before smelting. This ore body will be developed from No. 1 shaft.

With the exception of the No. 3 ore body area, sufficient intensive

(Continued on page 28)

## Long Struggle of Those Early in Quebec Fields

The possibilities of the Quebec mining region have been recognized for some years—by a few. In fact, some of the earlier prospectors were so impressed with the surface showings that they endeavored to carry on without outside capital in order that their ultimate gains might be the larger. In this class is the Siscoe Gold Mines, which are situated on Lac De Montigny, about 35 miles due south of Amos, P. Q. Here for some years the original discoveries of the property have worked; sometimes they were able to get ready cash by selling small quantities of high-grade ore, at other times they worked, and for the bare necessities of life, shares in the property were given. Now the company has become incorporated and an efficient engineer is in charge. With assured funds, it should shape up rapidly. The development to date has uncovered some spectacular ore.

# QUEBEC AREA IN HANDS OF BEST OF THE PROSPECTORS

### These and Trained Company Men Are Doing Good Work

The ebbing flow of speculative stakers has left behind it a residue of real prospectors, who have remained in the district and have traversed and examined many of its more accessible parts. Among these are to be counted not only individuals out for themselves or private backers, but considerable numbers of men sent out by the various mining and exploration companies, says Dr. H. C. Cooke, Dominion geologist. The carrying on of prospecting operations by such companies with the capital and the experience necessary to carry on mining and development operations efficiently from first to last, is a comparatively recent and entirely logical development, and will materially help to solve the problem of the disappearing prospector, that has perturbed many writers of late years. The results of the work of these prospectors in the Quebec district is of the greatest interest; still it is obvious that in a single season but little of the great gold-bearing belt that extends more than a hundred miles from the Ontario boundary to the Bell River, and for an unknown distance from south to north, could be examined in the detail necessary for the discovery of ore-deposits.

In numerous places, scattered irregularly throughout the whole of the distance from east to west, discoveries of gold have been made. The majority of the veins so found are, of course, too small or too low in tenor to be of commercial importance; but their occurrence shows that the conditions favoring the formation of ore bodies prevail throughout the belt, and holds out the reasonable expectation that with further search larger and more valuable deposits may be discovered. Such results are the more gratifying in view of the forecast published by the Geological Survey in 1920, that such would be the conditions prevailing throughout this area. They have already caused a continually increasing interest in the prospecting of the area, which will no doubt result in the gradual extension of detailed prospecting over the whole of the gold-bearing belt. They are, in my opinion, the most important results of the year's operations.

Of more economic value, however, has been the discovery of at least four ore-bodies that seem likely, at present writing, to become producing mines. Two of these, the Chadbourne and Horne properties, are recent discoveries, while the other two, Stabell and Lake Fortune properties, have been known a longer time, but have been pushed with new interest in the last year or so.

## Gold in Outcrop Over a Width of Six Feet

Huronian Belt is reported to have picked up an easterly extension of the main outcrop on its Pelletier Lake group, and gold is visible across a width of six feet. Diamond drilling has been carried out this winter.

# How Quebec Rush Started

In the summer of 1920, Ed. Horne, prospector of New Liskeard, Ontario, staked 400 acres on the shores of a lake (now Lake Osisko) in the then projected but unsurveyed township of Rouyn, in the wilderness southeast of Lake Abitibi. On a previous hunting trip Horne had noted the occurrence of sulphides, and returning found that a fire had laid bare on the top of a low hill a gossan or "iron hat," which, as every prospector the world over knows, covers deposits of iron and copper ores.

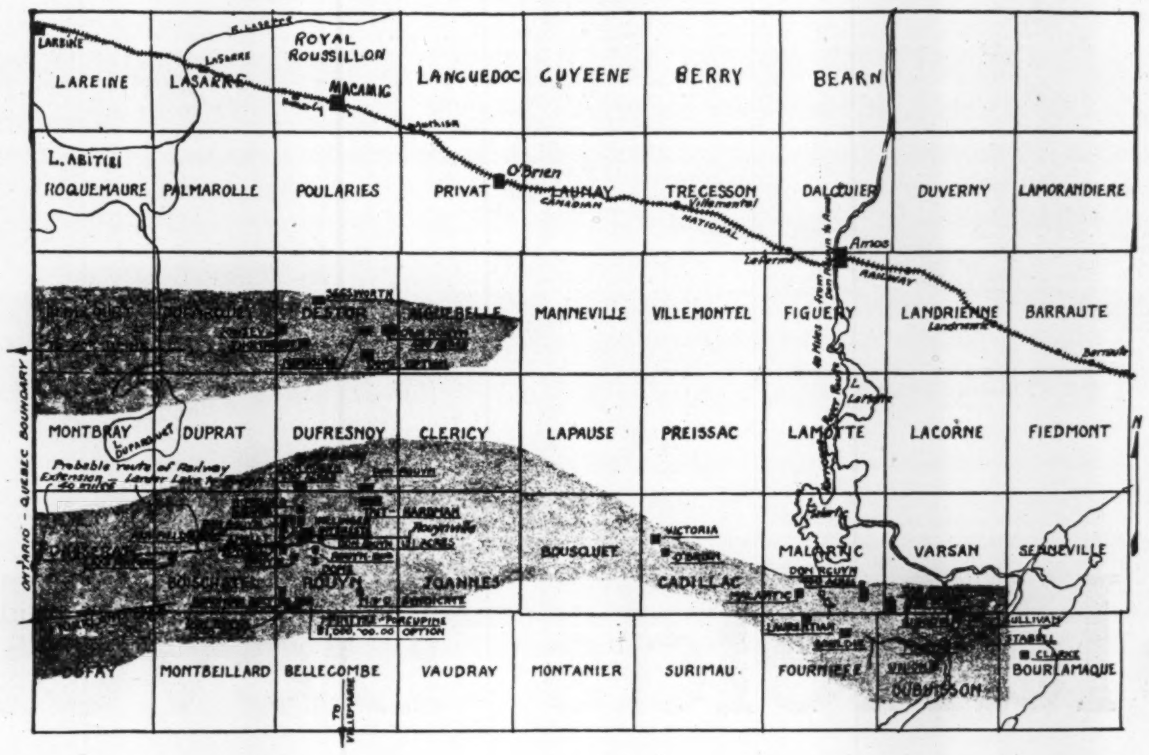
Horne trenched and exposed a bed of sulphides over 60 feet wide and brought out samples. These samples showed from $2 to $11 in gold with little or no copper. He tried hard to interest established mining companies in his find, but was told that his property was too inaccessible or too low grade. No discoveries of importance had been made up to that time east of Kirkland and Larder Lakes, 50 and 30 miles to the west in Ontario.

Two years passed, during which Horne increased his holdings to 600 acres and did his assessment work aided by a syndicate of New Liskeard men.

In the autumn of 1922 the Thomson-Chadbourne Syndicate (now Noranda Mines, Limited), a small group of American and Canadian men seeking new mines, made an examination of the properties and took them under option.

At this time, in September, 1922, Tom Powell, a Toronto prospector, made a nearby discovery, the Powell vein, and this was the beginning of a rush into the district which resulted in the staking of more than 100,000 acres of claims.

**Northern Quebec Goldfields**



# Northern Quebec Will This Year Spend Millions on Construction; Very Active Season is Promised

### Two Railway Branches, Noranda Development, Rouyn Townsite, Roadbuilding and Operation of Numerous Small Properties Mean a Large Increase in Payroll

Northern Quebec will be in the market for millions of dollars' worth of supplies and equipment almost immediately. Heavy construction programs planned for the spring include:

C. N. R. branch to Rouyn, 45 miles.

T. and N. O. branch to Rouyn, 22 miles.

Noranda mining plant and smelter.

Mining plants and equipment for some 30 exploration and development propositions.

Road building.

Construction and building for Rouyn townsite.

A tremendous activity for all lines of business is promised from the above construction to be launched during the coming summer, the big bulk of it as soon as the snow is off the ground. This will result in large orders for construction, camp equipment, clothing, groceries, and other supplies.

The two immediately important items will be the construction of the railways. The C. N. R. plans are announced. The T. and N. O. is yet to make an official announcement. This is expected daily. There will likely be a rush to see which gets in first. Construction will be speeded once it starts. This will involve two large camps. On will run from the C. N. R., south into Rouyn. Montreal and Quebec will be the nearest markets.

The T. and N. O. branch will be an extension of the Larder Lake line, and the nearest market for supplies will be New Liskeard, Haileybury and Cobalt. In all, the two gangs should total close to 1,000 men.

Immediately the railways are proceeding, heavy buying orders for the various properties in the camp are to be expected. Noranda will next week announce its plans for the mining and treatment of the tremendous ore bodies of the Horne. This will ultimately result in a large smelter proposition that will cost millions. There will be heavy purchases of machinery and electrical equipment There will be an immediate jump in employees by three or four hundred men. In a year or so it is estimated that Noranda's staff will be over 2,000 men.

These workers will have to live at Rouyn. The townsite is just on the market. There has been a rush of merchants and business men into that centre. It has the earmarks of a big camp. Temporary construction will be likely until the railway is in. Then large amounts of building material will be needed for permanent construction.

On this page will be found a map giving the layout of the Quebec fields. Marked on it are the various propositions that are either working or are about to start. Those operating are getting along with the scantiest of equipment, owing to the heavy cost of transportation. Immediately the railway is available, they will be in the market for up-to-date equipment, so as to be able to rush ahead with development.

The outlook is that as soon as the snow is off the ground, the payrolls in Northern Quebec will jump by some 2,000 or more men. This will be steadily increased as summer goes on, as new concerns are financed, and will jump rapidly as the railway branches near their goal in Rouyn.

The numerous small centres along the Canadian National are experiencing considerable activity already. The C. N. R. line will run south from one centre, but there are plans for a number of wagon roads south from other centres into the mining section. Besides, the agricultural development of the section is going to speed up, as a result of the new developments, and will provide a market for more equipment.

The contractors for the railways will not be named for a time yet. When they are, it will be possible to learn what their equipment consists of, and what they will need further in the way of picks, shovels, blasting tools, drills, air compressors, etc.

Then, also, there will be orders for close to 150 miles of steel rails, fasteners, ties, and other construction equipment, bridges, etc.

**THIRTY MILLION**

Noranda's indicated ore bodies are estimated as follows:

1,700 feet long, 1,400 feet wide, and found at depth of 455 feet.

The indicated ore of the first 110 feet is $7,602,000. If it persists as is expected to 440 feet, it would give over $30,000,000 in ore. But lateral work at 110 feet shows the ore much richer than that shown by the diamond drilling.

## AMOS FIND RANKS VERY IMPORTANT

### Quartz-Porphyry Ore Body Showing Free Gold Found by Thos. Flynn

Of ranking importance to Quebec is the goldfind made by Thos. Flynn and associates, just four miles south of Amos and stretching east from the Hurricanaw River to near Fisher Station of the C. N. R. Mr. Flynn who was associated with McIntyre in the early days, says he has been looking for a similar quartz-porphyry body ever since, and he believes that he has found it at last. With his partner, Luke Ryan, Mr. Flynn staked considerable territory, and the Canadel mines' people, of which Frank Loring is the consulting engineer, also staked a large section. On the latter considerable work has been done, and several small floats have been picked up on this property that showed considerable free gold. The find is regarded as of ranking importance, and it is believed that considerable activity will mark this section this summer.

## Rouyn Townsite Expects to Boom This Summer

Rouyn Townsite is now on the market. It has been located next to the Horne property, which in the next few years is expected to work up to a couple of thousand employees. J. E. McCuaig and G. A. Bagshaw, Haileybury, have control of the townsite, and have had it sub-divided.

# Complex Ores of Northwestern Quebec Will Present Problems in Respect of Ore Treatment

### Deposits Differ Materially From Those of Northern Ontario—Experts Believe Smelters Needed—See Possibilities of a Number of Important Mines

**Written specially for THE FINANCIAL POST by permission of John McLeish, director, Mines Branch, Ottawa. Review of Ore Occurrences and Metallurgical Treatment by W. B. Timm, chief, Division of Ore Dressing and Metallurgy. Introductory by A. H. A. Robinson, mineral technologist, Division of Mineral Resources. Information obtained from personal observations in the field by the writers last fall.**

To the newcomer the most striking features of the goldfields of Northwestern Quebec are: The great extent of territory (a zone nearly 100 miles in length) within which finds have been made; the number of finds within the territory; the absence of the customary signs of a mining boom, and the interest in the district being displayed by mining companies (Canadian, British, and American) that have been successful in other mining fields.

Excepting on a few properties, such as the Horne, in Rouyn township; the Stabell in Dubuisson township, at the eastern end of the gold belt, and the Lake Fortune in Boischatel township, near the Ontario boundary, the amount of intensive development is rather disappointing, no doubt largely due to the dispersion of effort brought about by the extent of the gold-bearing areas and the constant new finds being made; the comparative recentness of many of the new discoveries, and, in the western part of the field, the difficulty and expense of getting in supplies over the summer routes—a drawback that was intensified by a wet season in 1924. At the time of writing (Jan., 1924,) the transportation situation has been relieved by the opening of two good winter roads to Rouyn, one from Larder Lake on the T. and N. O. Ry., the other from Makamik on the C. N. Ry. It is expected that the Makamik road will later be made a summer road suitable for motor trucks.

The activity of old-established mining companies in this new field (their scouts are ubiquitous) means that the district will be thoroughly and systematically explored and promises well for the future. They already hold very large tracts under option, and there is a very real competition for promising discoveries.

**Character of the Ores**

From a metallurgical viewpoint, the gold ores of Northwestern Quebec, as far as we know them at present, will require in many cases a dif-

(Continued on page 21)

# MUCH IMPORTANT WORK BEING DONE ON MANY CLAIMS

### Wide Range of Activity in Various Parts of N. W. Quebec

## GOOD DISCOVERIES

### Much Free Gold Found and Large Operations Are in Hands of Substantial Interests

By W. F. JAMES,
Geological Survey, Ottawa.

For a good many years after the development of the gold and silver mines in northeastern Ontario, it was a matter of speculation as to the existence of similar deposits in the closely adjoining areas of the province of Quebec. Sporadic efforts at prospecting more than ten years ago produced no positive results and interest in the district languished. Attention was given at that time to the possibilities of settlement of the Clay Belt that forms part of this region, and since the construction of the Transcontinental Railway, now a part of the National Railways system, colonization has gone on steadily under the direction of the Quebec government. Today the district supports a population of about 17,000, chiefly near the railway, but the settled area is being gradually extended.

Revival of interest in the mineral possibilities of the district took place in the summer of 1922, when the report of a couple of discoveries of gold in Rouyn Township brought numerous prospectors into the district. During the following winter, large areas were staked in Rouyn and adjacent townships. Work on the abandoned Lake Fortune Mine was undertaken as well as on the Horne and Powell properties, which were optioned to the Noranda Gold Mining Company. During the summer of 1923 this work was continued and the newly staked Chadbourne claim put under development. In the eastern section of the district prospectors have made sufficient encouraging discoveries to warrant the expectation that workable deposits of gold may be found in that section. It became apparent that development work was costly on account of heavy transportation costs and because of the heavy clay deposit which rendered necessary a great deal of trenching. A large proportion of the claims were dropped and then restaked in the fall of 1923.

**Revival Last Spring**

Another revival of interest, based largely on favorable reports of work done on the Chadbourne and Horne properties, took place in the spring reached during the past season. Considerable work on a large scale was performed on the more promising of 1924, and the height of activity was properties and prospecting areas have been extended to the north and east. At the Lake Fortune property underground work is being carried on at the 125-ft. level in the hope of encountering ore-shoots, while surface work and diamond drilling on the nearby Arntfield claims have demonstrated the presence of values over a great length of a mineralized zone. Work has been going on for some months on the Gamble claims held under option by the McIntyre Mining Company. Here free gold has been found in several veins in a country rock of conglomerate intruded by porphyry. The Huronian Belt Company has been occupied during the summer in work on claims just south of Pelletier Lake. Values are being discovered below surface in a persistent fracture and further work is being prosecuted to determine the extent of the values. The entrance of established companies into the work has resulted in a considerable amount of diamond drilling and surface work in the area south of Pelletier, Osisko and Rouyn lakes.

**Work on Chadbourne**

Important work has been done on the Chadbourne claim by the Noranda Gold Mining Company. Early in the past summer their shaft had reached a depth of 165 feet and demonstrated the presence of metal values in a much brecciated zone of acid volcanics, cemented by quartz, carbonates and pyrite in large cubes. The company has stopped work on this property to concentrate its attention on the Horne claim, nearby. Early work on the Horne claim in 1922 and 1923 indicated heavy sulphide zones carrying some gold values. Later diamond drilling proved that the body was extensive and carried workable values in gold and copper. A shaft was sunk to a depth of about 120 feet and passed through a large body of solid sulphides, much of which is ore of good grade. A large amount of workable ore has already been blocked out and the sinking of the second shaft will probably discover a further extension. Copper is present in the heavy sulphides and as disseminated ore, while the gold occurs in the mixed sulphides and in a high pyrite ore and has lately been reported in association with quartz. This property is the outstanding ore body of the district.

On the Stabell claims in the eastern part of the district, a shaft was sunk to a depth of 300 feet and drifts located a vein from four to six feet

(Continued on page 25)

A mining camp on Lake Tremoy, in Rouyn Township.

A prospecting shaft and plant in Rouyn Township.

Hydroplane of the Laurentide Air Service landing on Lake Fortune, on its daily trip to the goldfields.

# Goldfields Development in the Province of Quebec

DURING 1924, activity was maintained on an excellent scale in the exploration and development of the gold-fields of Northern Quebec. Sufficient work has been carried on to indicate that there is a mineral field of great potentialities in this part of the province.

This mineralized area lies to the south of the Transcontinental Railway, immediately to the east of the boundary between Quebec and Ontario. Geological work has clearly demonstrated that the nature of the rocks and the mineralizing conditions are here identical to the ones which have given rise to the producing camps of Porcupine, Kirkland Lake and Larder Lake.

The gold discoveries in this field have created such a rush of prospectors into the region that there are now 300,000 acres of mining lands taken up, representing 7,500 claims of 40 acres each.

## Ore Values Proven High

By the preliminary work done in 1923 and 1924 several considerable bodies of ore have been revealed. It is a remarkable fact that few assays have been blank. Contents of $7 to $15 in gold are numerous, and many grab samples have given high results.

Although the assays are not spectacular, they are notably consistent, and there are indications of possibilities of large tonnages in several places. Diamond drilling on claims in Rouyn, in Boischatel, in Dubuisson have been so encouraging that shaft sinking has been begun on five properties.

From the results of this preliminary work, it may be predicted that in a very near future there will be prosperous gold camps in Northern Quebec. This part of the province lying south of the Transcontinental Railway offers a land of promise to the prospector and a wonderful field to the discriminating investor who is willing to spend time and a little money in thorough investigations before risking his funds, for some of the ventures may possibly give returns of a hundred-fold or more.

## Results Found in 1924

In performing the assessment work required by the Quebec Mining Law during the past year, as well as developing further the few gold occurrences formerly known, results have been obtained that are quite satisfactory. A district, mostly unprospected and unknown from a mineral point of view, has been found to be extensively mineralized. Discoveries have been made over an area of nearly 100 miles long and of undetermined width. Copper ores exist in large masses on the E. J. Miller claim, and a promising deposit of gold ore is being blocked out at the Stabell, while other occurrences have been found, of as yet unknown extent. Numerous sheared zones have been located both in the volcanic rocks of the Keewatin series and in the Timiskaming sediments. These lines of movement have been zones of replacement; carbonates and sulphides have been deposited, sometimes accompanied by free gold, probably to be accounted for by the intrusions of porphyries observed by geologists in every township examined.

It is true that no spectacularly rich ore-bodies were found in 1924; but where long zones of fissuring have been exposed, like at the Arntfield, the McMillan, the Edna Bathrust, the Thompson-Dumond, etc., we have deposits of low value, sections of which are of commercial grade. By no means has all the territory staked been sufficiently prospected. More development work on deposits already located, and more systematic prospecting in adjacent areas, should be planned for the new year. The year 1924 saw a real start in the making of new gold camps in Northwestern Quebec.

### Extract from 1924 Annual Report of Minister of Colonization, Mines and Fisheries

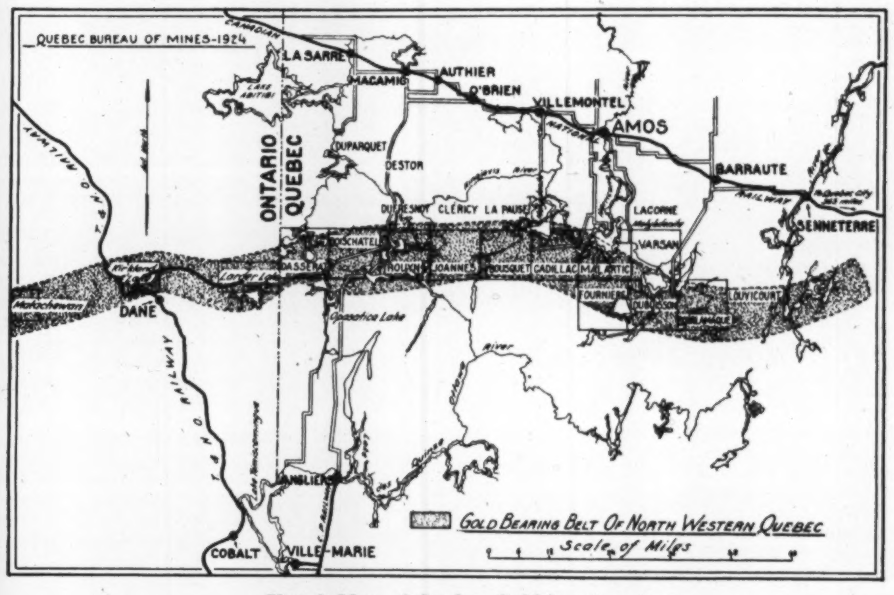
**"There is still intense activity in the gold fields of the north west of the Province. A great number of prospectors are staking new claims all through this territory. On the other hand, powerful companies and capitalists are undertaking considerable work, and we can well expect and hope for most favourable developments in the future.**

**My Department has participated in this movement in various manners, such as the opening of penetration roads by the North and the South, which are actually being made, by grants for the construction of local roads, by the establishment of assay offices at Amos and Angliers, by the opening of registry offices at Ville Marie and at Amos, and also by the maintenance of a laboratory at the Montreal Polytechnical School."**

## Government Aid to Mines

The government of the province has always shaped its policies so as to encourage and aid to the utmost the development of nascent industries. In the case of the Rouyn gold-fields, the most pressing needs were the means of communication and of access. To the end of supplying these, the provincial government subsidized the Ville-Marie Navigation Company to maintain regular boat services between Angliers and the gold-fields. Roads into the heart of the fields have been opened both from the south, from Angliers to Boischatel and Rouyn, and from the north, from Macamic to Rouyn. Substantial grants were made to two development companies to aid them in the construction of roads to circulate through the camps. A large subsidy was granted to complete the fifty-five miles road from Cascapedia to Lemieux township in Gaspé, giving easy access into the very central part of Gaspé peninsula, which was previously an almost unreachable "hinterland." Claim-recording offices have been opened in Ville-Marie and Amos. Reliable assay offices have been subsidized in Rouyn and in Amos, permitting prospectors to get their assays done, practically on the ground, at very reasonable rates, thereby saving much time, and enabling the prospector to obtain quick results and guidance in the course of his development work.

The government is extremely well disposed towards the prospector and will do all in its power to develop the new gold-fields into a flourishing mining district.



Sketch Map of Quebec Gold-bearing Area.

## Means of Transportation

At present the main activity in development and prospecting in the Rouyn gold-fields, as they have come to be called, is in Rouyn, Boischatel and the eastern part of Dasserat township. The nearest railway point is Angliers, the terminus of the C.P.R. Mattawa-Kipawa branch, which was completed to lac des Quinze last winter. In a straight line, Angliers is forty miles south of the southern line of Rouyn township, the townships in this district measuring ten miles each way. Angliers is therefore the "jumping off" place, from the south, for the new gold-fields.

There are at present three ways of getting in, two by by water, and one by air-craft, the Laurentide Air Service maintaining a first-class daily air service by hydroplane, covering the distance of 45 miles in fifty minutes, into the very centre of Rouyn township.

By water, two routes are available on which ply steamboats and gasoline launches. One route ends in the eastern part of the field on Lake Rouyn, and the second one in the south-east corner of Dasserat township in the western part of the field. The two landing places are sixteen miles apart in a straight line, and about 22 miles or more along the trails.

## Mining Law and Rights

The mining laws in force in the Province of Quebec are very liberal, and are favourable to the prospector. The provisions of the law give security of title and they are not onerous, either in money or in assessment work. Moreover, it may be mentioned that in the Province of Quebec mineral lands on which the mining rights belong to the Crown, which means in the vicinity of 90 per cent. of the total area of the province, may be taken up, held or acquired by British subjects or by aliens alike on the same terms, without distinction of any sort between them.

The procedure to acquire mining lands in the Province of Quebec, as recently established, has received the commendation of mining engineers and financial publications.

Complete information regarding the procedure for the acquisition of mining lands can be obtained from the Quebec Bureau of Mines.

The Quebec Bureau of Mines will gladly give all the information available in connection with the mines, mineral resources and the mining regulations of the Province of Quebec on request addressed to:—The Hon. the Minister of Colonization, Mines and Fisheries, Quebec, Canada.

***Send for Reports and Information to the Minister of Colonization, Mines and Fisheries, Quebec, P.Q. Hon. J. E. Perrault, Minister***

# LAKE FORTUNE AREA SHOWINGS INDICATE RICH ORE SECTION

### Gold Found in Mineralized Intensives and Lode Type Veins

## DEPOSITS LARGE

### Zones Show Great Length and Width With Values Showing Contentious and Commercial Grade

Lake Fortune Arntfield-Francoeur area in Boischatel, is said by engineers who have been on the ground, to be the most promising and favorable section for finding gold deposits in the district. They describe the shear and schistose zones as on the legs of the great Keewatin-Temiscamingue synclines. The largest porphyry intrusion known in Ontario or Quebec is in this section. Many small dykes and bosses of the porphyry cut the different flows in the fold. The gold is found in the mineralized intrusives, and in lodetype veins in the shear zones. There is a great deal of evidence to show that the gold is genetically related to the porphyry. The ore zone on the Arntfield-Francoeur claims appears to be on or near the axis of the Keewatin syncline that crosses Boischatel township diagonally.

Trenching and drilling on the Arntfield, and trenching on the Francouer, has shown considerable $10 ore over widths of approximately 10 feet, in addition to 10 to 30 feet of lower grade ore on each side of the higher values.

**Fortune Lake**

Exploration and development work on Fortune Lake has been discontinued until spring owing to climatic conditions, and to allow for further financing. The property contains 320 acres. A large shear zone runs across the claims in an easterly and westerly direction. The shear zone has been intruded by several porphyry dykes and bosses. Two large veins found in the shear zone show commercial values in places. Two smaller veins with spectacular gold showings were located in the shear zone. One of the latter shows free gold and gold telluride over a length of 150 feet. A more extensive campaign of exploration and development will be started in the spring.

**Arntfield Property**

The values in the Arntfield and Baker claims are found in a long strong schistose zone. The zone has been traced in an easterly and westerly direction for more than 6,000 feet. The surface trenching and drilling shows persistent values over good widths, and that the break is continuous. Commercial values are found over mineable widths in sections in both drilling and trenching. The development work to date would indicate the presence of a large body of commercial ore.

**Francoeur-Bell-Thompson**

The Francoeur claim joins the Arntfield on the west. The ore zone is a continuation of the Arntfield zone. The discovery was made late in the fall after the snow was on the ground, consequently very little trenching could be done. Three trenches 50 feet apart show an ore shoot of a length of 100 feet. The trenching shows approximately a width of 20 feet of commercial values.

# LOWER ORE TREATING RATES NOW AT TRAIL

### Fifteen Zinc Shippers Are Interested and Production Should be Aided

**From Our Own Correspondent.**

TRAIL, B. C.—A revised schedule of treatment rates at Trail smelter for custom zinc ore, effective Feb. 15, has been issued by the Consolidated Mining and Smelting Company of Canada,. which will benefit zinc shippers in the Slocan about $4 a ton of concentrates or ore shipped, or about $150 per car, on the average. There are about 15 zinc shippers at present.

It was in April, 1922, that the Consolidated announced that a process, based on that used for the Sullivan ore, had been worked out for the zinc ores of the Slocan, and that a small plant had been provided at Trail for handling custom zinc ore. The effect of this step was to make steady zinc shippers of several well known Slocan properties. A modification of the original zinc schedule was necessitated in March, 1923, by the market conditions existing at that time. In the past two years there has been no change.

In announcing the reduced charges, the company informs the ore shippers:

"These reductions are being made in pursuance of our policy of giving shippers the benefit of reductions in costs from increased operations, and other improvements in conditions.

"The new plant now under construction will provide ample capacity for all ore produced in the district. When these additions are completed and in operation some time in the summer of 1925, we hope to make further revisions in favor of the customs ore shippers."

It is stated the company will shortly issue a new lead-ore schedule also.

### CORALORAINE SILVER

MONTREAL.—A spring development campaign, which includes the putting down of from 10 to 20 diamond drill holes and the sinking of a prospect shaft, is being planned by the Coraloraine Silver Mines.

The recent addition of seven claims to the company's holdings gives it a total of [illegible] acres. The work in the spring is to be concentrated on those veins which have been stripped on the surface and which have already returned values in silver.

# Big Merger Under Way of Quebec Properties

The new Quebec mine merger that will join together a number of important and well-located properties under one company, has not as yet been rounded out, but good progress is being made. By it Ottawa Rouyn, Rouyn Quebec, Rouyn Gold, Rouyn Central, and other properties will come under one management and company. It is understood that the capitalization will be $15,000,000 and that the new company will hold a total of over 5,000 well-located prospective mining lands on all of which there has been a certain amount of work done. It is believed that with a large corporation and large holdings, better progress will be made. Quebec is essentially a field of large propositions, and these people, who number among them some of the first in the field, believe that they will not have a better chance to make real progress.

# HURONIAN BELT IS OPERATING IN QUEBEC

### Has Secured Large Holdings and Will Pick Out the Best to Hold

Huronian Belt Co., which has large interests in Ontario mining, is holding some very interesting properties in various parts of Quebec field. At the recent meeting of these companies in England, the work being done in Quebec was referred to at considerable length. The report said:

The outstanding feature of the past season has undoubtedly been the developments in the north-western district of Quebec. Here, again, it is necessary at this stage to employ the language of caution, in view of the relatively small amount of work that has yet been done. Having regard to the fact that the fields were only discovered less than two years ago, to the vast extent of mineralization, and the great natural difficulties, the results actually achieved can only be regarded as remarkable. Transport, except by areoplane from Haileybury, is slow, and is by any route expensive, and the surface is covered by dense forest and deep overburden. These difficulties will in a large measure disappear before long. A short southward extension of the Canadian National Railway, or an equally short eastward extension from the Temiskaming and Northern Ontario Railroad, would give the Rouyn district railway facilities second to no field in Canada, and I venture to say that one or both of these extensions will be undertaken before very long. Dr. Bell's report indicates the salient features of the district so far as at present known. There is abundant evidence of pronounced mineralization over a stretch of country at least 100 miles long. Several very promising deposits have been discovered, and on one property, the Horne, where systematic work has been prosecuted during the last eighteen months, the existence of rich ore to the estimated value of $20,000,000 is said to have been already established. The Huronian Belt Company is interested in this property to a comparatively small extent, but we were in the fields on our own account at a very early stage, and at the present time we own a number of claims in these districts, totalling something over six square miles.

**Won't Hold All**

It is, of course, safe to say that a certain proportion of this ground will be eventually abandoned, but it will be impossible to exercise a selection until we have had the opportunity for further examinations next summer. The one block on which we have done a certain amount of work has shown highly interesting results—that is, the Pelletier Creek Eastern block, consisting of nearly 1,100 acres, and lying some distance south of the Horne block. This in itself is a very considerable area of ground to prospect, and during the summer work had to be concentrated almost entirely on the northern portion of about 200 acres. Here a large number of highly schisted zones containing lenses of quartz have been observed, quite a number of which look hopeful, but only one of which has so far been carefully investigated. Here a number of shallow pits have been sunk over a length of about 200 ft., exposing a body of ore averaging rather over half an ounce to the ton over an average width of 8 ft. Elsewhere higher results have been obtained.

**Preliminary Character**

You will understand, of course, that much of the work this summer was necessarily of a preliminary character—cutting down trees, clearing bush and overburden, erecting huts, etc.—and it is only during next summer that we can hope to make fairly rapid mining progess. You will observe that Dr. Bell says that "the results so far may be considered as very encouraging," and you may take it that he has weighed his words. Dr. Bell and I had proposed to visit the camp in September, but unfortunately the weather broke, the aeroplane which we had engaged would not venture out, and I had to return to Toronto. After my departure from Canada, Dr. Bell made the journey in October by aeroplane, but again the weather broke, and he had to get back over land under very unfavorable conditions. He caught a very bad chill, which at one time threatened complications, and his illness explains to a certain extent the delay in holding a meeting. He was so impressed with what he saw, however, that we have decided to erect a winter camp, instal an assay plant, and prosecute work on the McMillan claim during the winter. We have also decided to start a branch office at Haileybury, the nearest practicable point, so as to facilitate our following developments on this highly interesting field as closely as possible.

# Don Rouyn to Diamond Drill During the Year

Among the younger developing companies is the Don Rouyn Gold Mines. This company, organized but one year ago, now owns a group of claims totalling some 2,950 acres. These properties are scattered over a considerable area in good locations. It is intended to immediately prove these properties by diamond drill. As they are proven, they will be sold and an interest in their future development retained by the parent organization.

The company are working on their claims, and the engineer in charge is making arrangements for a diamond drill campaign on two of the properties.

# AMULET, PRIVATE QUE. OPERATION, HAS MET SUCCESS

### Holds Three Large Groups of Well Located Properties

## COPPER DOMINATES

### Effort Concentrated on 1,500-Acre Block Which Shows Large Chalcopyrite Content

**From Our Own Correspondent.**

MONTREAL.—In all the newspaper talk of Rouyn and the Quebec mining fields, generally, one sees only an occasional mention of the Amulet Gold Mines. Yet, to date, this company have obtained some of the best results recorded in this field. The reason for this silence probably lies in the fact that the company have a backing of strong financial interests, whose aim is to develop the showings they have as quickly as possible, and who do not require any outside assistance to bring their properties through to production.

The Amulet have three groups of properties, the first comprising 1,500 acres in Dufresnoy and Duprat; the second, 600 acres in Rouyn adjoining the Noranda on the northeast, and the third lying just to the north of Lac Pelletier in Rouyn and Boischatel townships and totalling 700 acres.

For two years work has been carried out, and it was not until last autumn that the first major discovery was made on the group in Dufresnoy and Duprat. Since then further aggressive work has resulted in findings of the utmost importance on this property, and work, this winter, has been concentrated here. Other work carried on during the cold weather includes the completion of a camp which will house the forty men who will commence work in the early spring. In the meantime, supplies of both food and machinery are being rushed in while the winter road to Makamik on the Transcontinental remains open. During the winter a considerable amount of trenching and shaft sinking has been carried out—this work has confirmed the management in their intention of making a copper mine as soon as possible. The copper values which have been obtained continue to be spectacular, but as far as work has progressed, the gold values are low. Both the geology and the ore of the property are said to resemble that which occurs on the Horne claims.

It is the work on this first group which has made the company prominent. Development on the other two claims has yielded less spectacular results. Amongst other work on the group in Boischatel township a blue quartz vein has been uncovered for a distance of 700 feet—it shows good gold content. Incidentally, it is through this property that the survey of the T. and N. O. line runs.

On the group lying to the northeast of the Horne, only assessment work has been carried out, the other two properties occupying the whole attention of the officials of the company.

It is not definitely known who the interests are who are behind the development of the Amulet, but the president of the company is Major R. E. Popham of Montreal.

# MILLIONS OF PUBLIC MONEY WILL BE SPENT WITHOUT AN AUDIT

(Continued from page 1)

(g) Unsatisfactory control of local purchases.

(h) Lack of uniformity in methods of keeping stocks and records and in the forms in use at the different stores, also in pricing which is based upon one or other of the following bases:

Average price.
Oldest price.
Last price.
Arbitrary price.

(i) Surpluses of inactive stocks sometimes exist in certain stores in great quantities and values.

(j) Inventories of stores taken without indication of values or of proper classification of the stocks on hand.

**Staff Not Large Enough**

This condition of affairs is due largely to the fact the the audit department staff is not large enough to carry out the duties put on it by legislation. This is leading to a condition where many of the audits required by law are not being carried on at all. Another broad weakness pointed out is that the audit legislation has not kept pace with the times.

Mr. Gonthier is indirectly critical of the fact that the moneys received by the custodian of enemy debts and property under the peace treaty are not being treated as trust moneys subject to his audit. This will be news to most business men; that a fund of $13,000,000 could be handled by a small government bureau without any accounting to parliament or audit by the government's auditors. Equally startling is the revelation that no audit or cheque is made of the millions of dollars of security in the finance department, which is in reality the greatest banking office in Canada.

**Save On Printing Costs**

The auditor general's report is about 1,000 pages smaller than previous reports and in this way a saving of $6,000 in printing charges has been effected. Mr. Gonthier recommends against the continuance of the present old-fashioned practice of itemizing every single expenditure in the report of the auditor-general. He states that no other country in the world adopts this system, which, he says, has outgrown its usefulness. He points out that over 25 per cent. of the time of his staff is taken up with this work. Naturally it is to be presumed that the time thus spent is taken from such useful work as auditing government stores and trust accounts which, as the report indicates, now go practically without audit.

Other important recommendations are made. Mr. Gonthier indicates that his staff is unable to carry out the important work of investigating methods of collecting government revenues, or to see that the full amounts collectible are taken in.

**Millions In Arrears**

He indicates also the $168,599,707 of revenue of the Dominion is in arrears, concerning which condition he states: "It appears that no examination has been made in the past to ascertain the collectibility of these amounts." He intends to study these accounts, some of which accrued fifteen or twenty years ago, and he intends to make recommendations in his next report concerning writing off some, if found advisable.

He summarizes the fact that there is no audit of any of the following accounts:

1. Revenue since December, 1889, the date at which the audit office was requested by the treasury board to examine the revenue, which amounted in 1879 to $27,020,524.90 as against the total amount for the last fiscal year of $406,903,189.16.
2. Stores of the various departments throughout the Dominion which are dealt with more fully in a previous chapter.
3. Public accounts and securities in the finance department, an examination of which the audit office was requested to make by the treasury board on July 6, 1881.
4. Accounts of bodies aided by loans, advances, or subsidies from the federal government.
5. Operations of distinct activities under the control of departments, such as experimental farms, certain public works, etc.
6. Trust funds of whatever kind or category held on deposit by any of the departments.
7. Open accounts and arrears due kept by departments.

Mr. Gonthier is inclined to feel, according to his report, that he is in no position, with his present limited staff, and under present conditions, to apply a standardized system of accounting and auditing in all government offices. He says: "The sooner attention is given to this matter the better, as the system of accounting and auditing called for by the great development of the Dominion should be the last word in efficiency, and this, it seems to me, would result in economy and subsequent reduction in the present burden on the taxpayers of the Dominion. It may call for the removal of obstacles to the progress in this direction, either of antiquated methods or of too restrictive and inadequate laws, which should be repealed or amended."

The auditor-general has introduced many new tables in his report, including comparative statements of expenditures at the present time under different heads, with expenditures under similar headings in 1914.

# DRAWS FINE PICTURE OF CANADA'S OUTLOOK

### Mining and General Trust Chairman in London Reviews Mining Outlook

A great deal of criticism is going on in London at present in regard to Canadian mining. Not a little of it is based on ignorance or misinformation. It is therefore refreshing to read the report of R. Sewell, chairman of Mining and General Trust of Canada, Ltd., a holding company, owning shares in Tough-Oakes, Kirkland Lake, Moneta, Porcupine, and Salmon River, B.C., enterprises. He shows an intimate grasp of Canada's problems and possibilities. He says:

"It is self-evident that we are amongst those who believe that Canada — the third largest gold-producing country in the world, with a production in 1923 of over $25,000,000 worth of gold—is a great country, with prospects of a future in the mineral industry that are at least equal to, or even better than, any other country in the world. It is in the mineral deposits that our interests lie—that is our direct interests—but in comparing Canada with other countries it is important that auxiliary conditions be given due consideration, seeing that the economic side of mineral exploitation is vitally influenced by the status of many influencing and contingent factors, such as geographical position, facilities for transport, labor, power, stores and materials, etc. It is not generally realized that Canada, with its comparatively small population—of, say, 9,000,000, or approximately half of 1 per cent. of the total population of the world—is responsible for the production of 90 per cent. of the world's cobalt, 85 per cent. asbestos, 85 per cent. nickel, 32 per cent. pulp wood, 20 per cent. lumber, 20 per cent. cured fish, 18 per cent. oats, 15 per cent. potatoes, 12 per cent. silver, 11½ per cent. wheat, 11 per cent. barley, 6 per cent. gold, and 4 per cent. copper, and appreciable percentages of many other minerals and industrial commodities.

**Remarkable Showing**

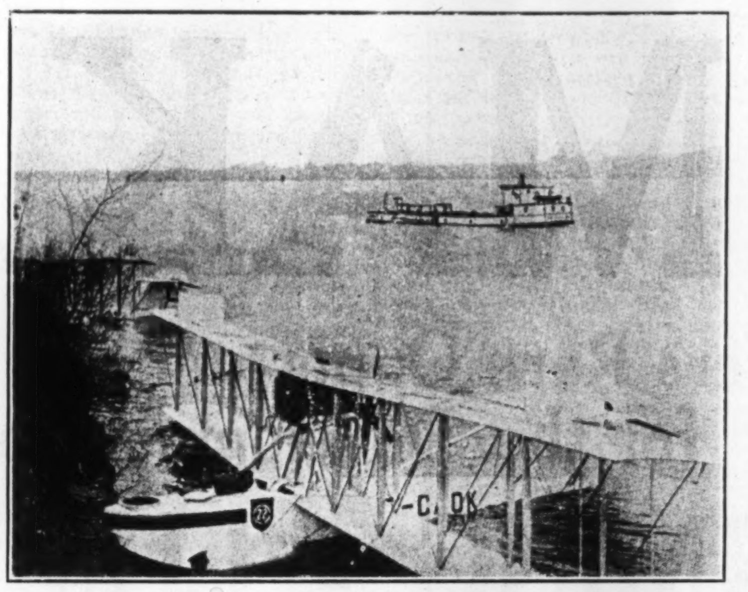
"This, it must be admitted, is a remarkable showing, and when it is remembered that Canada has a joint boundary line, several thousand miles in length, with the richest and most progressive country of the world; that it teems with innumerable waterways and railroads along the course of that boundary line; that it possesses unlimited sites for the development of hydro-electric power; that it has open seaboards on either side giving it access to the world's markets; that its natural wealth has thus far been scratched only; and that despite the rigors of a severe climate, small population, endless calls for finance for the execution of schemes commensurate with the enormous extent of its dominions, and that the worst of the pioneering work has been done—when all of these things are considered, the comparative advantages of operating in Canada, as compared with more remote and otherwise less favored countries, becomes strikingly apparent. There is nothing in the way of mining equipment and modern method that is not readily available, and this has been well exemplified in the great successes already achieved in the now famous mines of Ontario, Quebec and British Columbia, and no further proof is required of the existence of conditions favorable to economic and successful working than that afforded by the published official statements of the remarkable results now being obtained by numbers of important mining companies in the provinces mentioned. It is in the belief that, because of these facts, combined with the constant reports of new mineral discoveries in various parts of the Dominion, and with the conviction that there must ensue a great expansion in the profitable development of this widespread territory, that your directors decided to secure interests in the most promising known areas and in the vicinity of the most famous mines, guided, of course, by the best technical knowledge procurable. In keeping with this policy, certain investments have already been made, and your directors believe that the foundation has been created for the establishment of a sound and lucrative business."

# QUEBEC HAS TRIED TO AID PROSPECTOR

### Opened up New Recording and Assay Offices—Changed Laws

The province of Quebec is making a serious effort to help prospectors and mining interests develop the industry in Northern Quebec. The provincial department of mines has moved carefully. It has been criticized for doing so. It has been attacked because the Ontario mining laws were not adopted in toto. The province has gone a long way in meeting the prospectors, and the latest report, found elsewhere in this issue, that the tax complaint is to be adjusted, removes the last big cause for complaint. Gold mining such as Northern Quebec is now developing is new to the province, and a venture very much different from anything handled heretofore. For this reason, it is generally agreed that the province made wonderful progress in two years. Every effort has been put forth to supply conveniences and aid prospectors. A recording office was opened at Villa Marie, while another has been opened at Amos. Two assay offices, one at Amos, and the other at Angliers, are operating.

**Transportation to Quebec Goldfields**



TO THOSE who are interested in the development of an exceptional mining prospect, our proposition is unusually clean-cut and attractive. Six thousand acres in Boischatel Township are owned by this Syndicate, on which has been developed the outstanding deposit of strictly gold bearing ore in the district.

Reliable information may be obtained at all times on request.

"The method adopted to finance the operations on this property is so straightforward and effective that it should be recorded in print, and as an example of economical development is hard to beat."

CANADIAN MINING JOURNAL

May 9th, 1924

ARNTFIELD SYNDICATE
Room 313
Colonial Bldg., King St. West
TORONTO

ALDERSON AND MACKAY,
Consulting Mining Engineers,
802 New Birks Bldg., Montreal

F. S. ARNTFIELD,
Manager

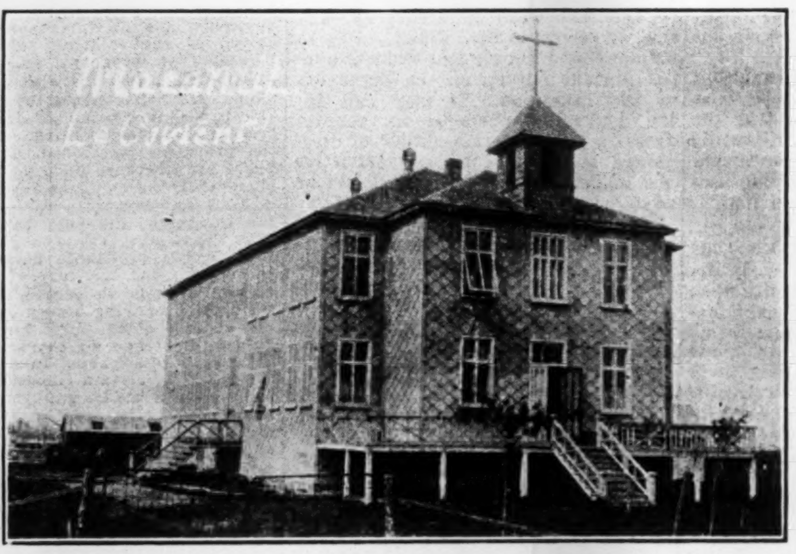
Abitibi County

# MAKAMIK

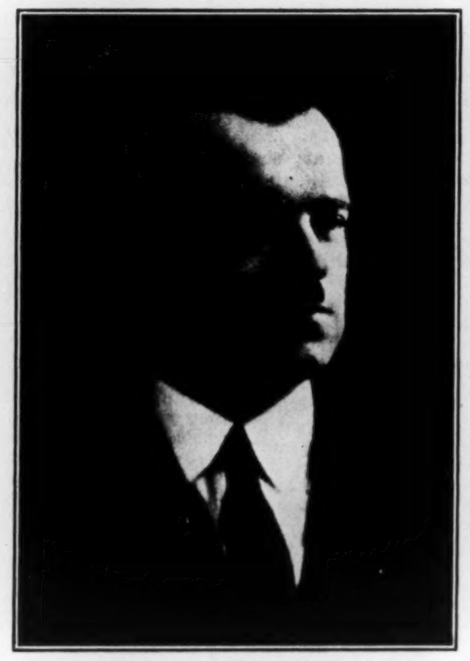
Quebec

## Offers Rare Opportunity to the Homeseeker and Investor for the Development of Our Natural Resources

## FARMING - LUMBERING - MINING



Makamik is splendidly equipped with educational institutions. The illustration is of the convent school.



DR. J. A. BERTRAND
Mayor of Makamik

Where a 3½-oz. pure gold nugget was found on the Lepine Gold Mine, Destor Township, 15 miles from Makamik.

## Makamik, a Natural Starting Point

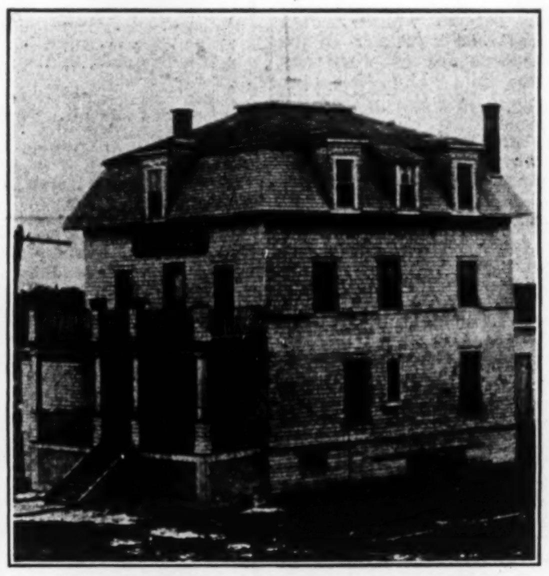
MAKAMIK is one of the most naturally favored points of entry to the newest and most promising gold areas of the great Quebec in Destor and Duparquet Townships. Destor Township, where the most remarkable finds have been discovered, lies almost due south of the town, with a splendid road connection. There is a road also that runs direct to the Rouyn fields that is virtually the main artery of traffic during the winter when the water route is out of the question.

The town is located on the main line of the Canadian National from Quebec to Winnipeg, and as such is a natural diversion point into the various mining fields.

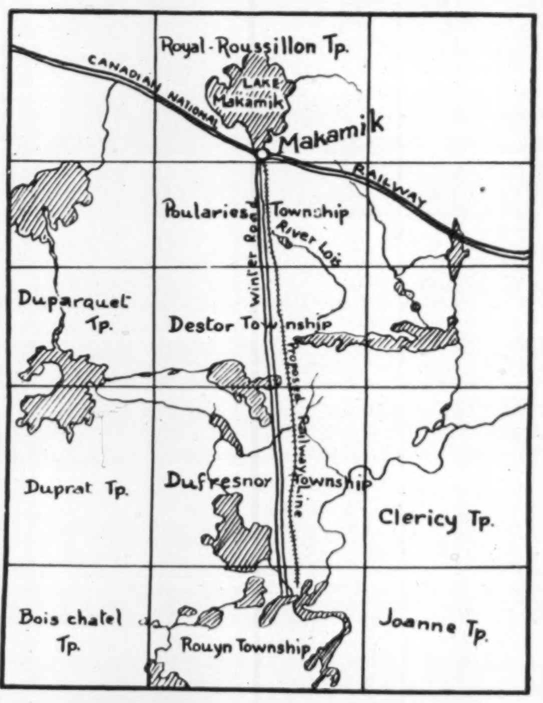
The Canadian National Railway has also under consideration a proposal to run a branch line from the Rouyn section to connect with this main line. Makamik is being featured as the natural northern terminal of this branch. Such a line, if constructed, would follow roughly the route of the present road, and by so doing would avoid heavy grades and extensive and costly bridge work. It would also have the advantage not only of tapping this important mining field but would draw a revenue from the splendid farming country that is distributed along this route, and from some of the most important timber sections. Altogether Makamik appears to be the logical terminal of this proposed branch. The completion of such an undertaking would naturally be a large factor in the town's development.

## A Centre of Mining Activity

Makamik is the logical starting point for the mines in Destor and Duparquet Townships. The most spectacular find in the history of the Quebec field was that of Joe Lepine in a claim in Destor Township, a nugget of pure gold weighing three and a half ounces. This is the section that most closely adjoins Makamik. But the town also is strategically located for serving the mines and prospectors in the Duprat, Boischatel, Dufresnoy, Rouyn, Joanne and Clericy sections. Efforts are now being made to have the government complete the gravel road from Makamik to Rouyn, which will give a splendid truck and automobile highway right to the mines.



The Hotel, Makamik



**THE MAYOR AND COUNCIL**

**Mayor — J. A. Bertrand, M.D.**

**COUNCILLORS**

Mr. Beauchemin
Mr. O. Pepin
Mr. A. Gendreau
Mr. Phil. Boissonnault
Mr. J. Lepine
Mr. J. B. Boisclair

**BOARD OF TRADE**

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**Secretary — Mr. J. Alex. Rioux**

**Directors**

Mr. Phil. Boissonnault
Mr. J. A. Bertrand
Mr. J. O. Tardif
Mr. A. Bourbeau
Mr. A. Bolduc
Mr. J. N. Boisclair
Mr. P. Gelina

## Makamik Has Much to Offer

The town and surrounding section represents a population of 3,000 people. It has a splendid school, that even qualifies its pupils for teachers. It has good water, and the town is on the point of installing a modern water system.

Power is available at a little distance from the town, on White Fish River, with ample reserves for many years. There are also power developments on the Lois River, nine miles from the town.

There are good roads about the town, and motors may be used almost in any direction.

The town has good hotel accommodation, and is well supplied with every necessary convenience. Good stores supply everything needed both for the townspeople and for tourist and prospector.

There is a splendid opening in the town for a dentist, and also for a newspaper, as the nearest newspaper town is Cochrane, 107 miles away on the west, while there are no newspapers to the east for three times that distance. There is a good opening, too, for a creamery that can be supplied from the splendid dairy country surrounding.

To anyone interested in farming, the section offers peculiar advantages. The land is very rich, and is obtainable at very reasonable figures.

Lumbering also offers a great opportunity. There are ample reserves of timber and pulpwood to assure the successful operation of such industries on a large scale.

## An Attractive Tourist Centre

There are four large lakes within eight miles of Makamik, and the town itself is situated at the lower end of one of the largest lakes in the section. The river Lois is navigable for ten miles from the town. There are other splendid rivers too that offer unusual attractions for the tourist.

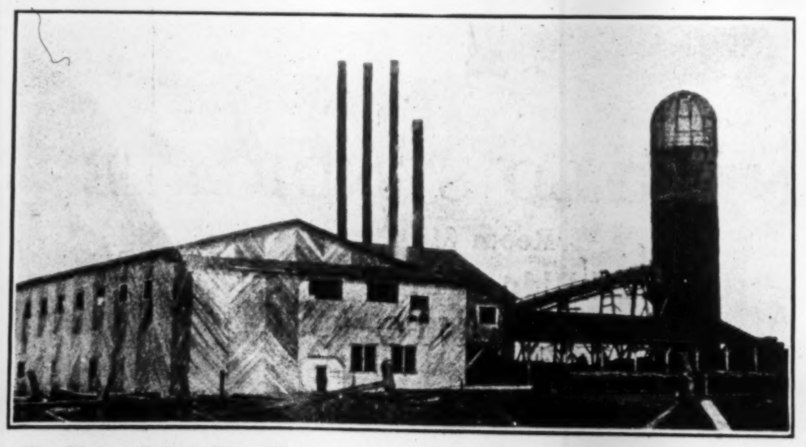
The section also abounds in game, moose, deer and bear, and a wide variety of fur bearing animals are to be found in the section immediately surrounding the town.

### Industries at Makamik

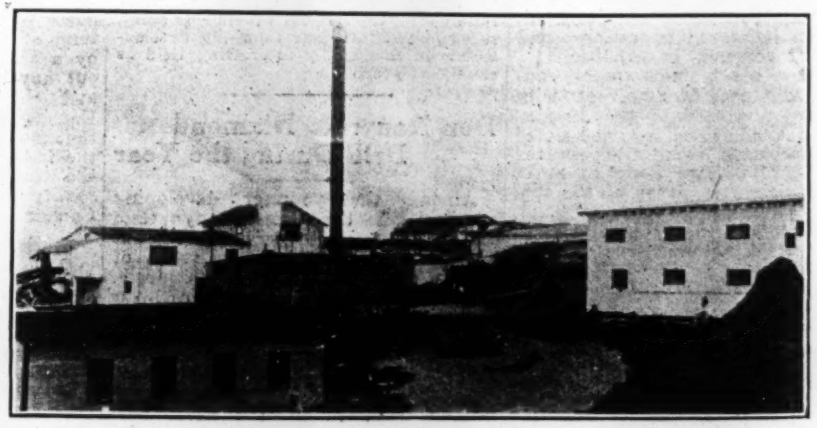
There are a number of substantial industries located in the town, that assure continuous work for the laborer. The most important of these are as follows:

**The Pontiac Lumber & Pulp Co.**
**The Lois River Pulp & Lumber Co.**
**Alexandre Laliberté & Cie**
**Amédée Marcoux**
**Louis Champoux**
**Antonio Bourbeau**
**Télesphore Chartré**
**Amédée Hallé**
**L. N. Boisclair & Fils**

Any further information that can be of service to anyone interested in the section will be gladly furnished by the Mayor or the Secretary of the Board of Trade.



The Makamik Lois River Pulp Company, one of the large industries of Makamik



The Pontiac Lumber Company's large mills at Makamik.

# EQUITABLE MINE TAX WILL PROVE AID TO QUEBEC

### Change to be Made and Ontario Tax on Profit Adopted

## OUTLOOK EXCELLENT

### Railway Announcement Means Much to the Development of Large Northern Field

Mining men and prospectors, operating in Quebec, have recently received the two most important announcements that could be made in the interests of the industry in that province. One was that Sir Henry Thornton, president of the C. N. R. had decided to build a branch line into the mining area, and the second that the province was going to make a change in its mine taxation laws.

The future of the present operations in the new goldfield will be dependent on power and transportation. The latter is the immediate problem. There have been four railways looking to go into the field, but the C. N. R. seems to have got the jump on the others in making a decision. The fact that the National Railway will build will be pleasing to the Montreal and Quebec people. They were more or less fearful that the T. and N. O. would be the first line in, and thus divert the bulk of the trade from the new camp to Toronto.

The question of taxation is a very important one in connection with the future of the camp. The rate of taxation was considered prohibitive. It is now stated that the mining tax of Quebec will be modelled after that of Ontario. The latter is considered the most fair mining tax law in the world.

The change will be quite beneficial to Quebec's asbestos industry, which is now subjected to a royalty of about five per cent. on every ton produced. Plans are to eliminate the royalty entirely and substitute a regular provincial tax on net profits. This will put asbestos on a par with other mining in Quebec, in the same way as nickel was placed on an equal basis with gold and silver in Ontario last year.

An authority who has watched the asbestos situation very closely is of the opinion that such a move will be of extreme benefit to the industry. "The step is in the right direction," he said. "No industry, particularly mining, can prosper when gross income is taxed, whereas taxation of net profits is equitable all around."

It is understood that the proposed Quebec enactment will also permit mining companies to deduct substantial depletion and depreciation before figuring net, as is the case with mining companies in Ontario.

## Smelter For Quebec Now Being Proposed

The importance of hydro-electric power in the development of Canada's mineral industry is indicated well by the sale of the old Stirling zinc property in Cape Breton to American Cyamid Co., as reported in last week's FINANCIAL POST. The intention is to establish a smelting works on the St. Lawrence at some point within reach of the huge power plant on the Saguenay river of Duke-Price interests. They are interested in American Cyamid. It is quite possible that, if the interest of this company's engineers has been stimulated by a mineral deposit so far away as Cape Breton, they are also taking stock of the resources in Quebec, nearer the prospective metallurgical centre.

### CLAY AND SHALE IN ONTARIO

A report on the clay and shale deposits of Ontario by Joseph Keele has been recently published. The report contains general descriptions of the different kinds of clays and shales, their occurrence, properties and uses. Details are given regarding those now being utilized, and notes are also given on methods of testing clays and shales. A copy of the report can be had on application to the director, Geological Survey, Ottawa.

## South Sediment Edge Not as Encouraging

Kellar Brothers made a good strike in Destor canton late last fall. The high values found are thought to be due to tellurides. They have optioned their claims to the Canada Northern Goldfields Co. Prospectors report that the results of exploration along the southern edge of the sediments have not been encouraging, although outcrops are more frequent and extensive than along the northern edge, where the work is hampered by a more general and extensive overburden. In spite of this difficulty, that part of both Destor and Duparquet is yielding the best results.

# Complex Ores of Northwestern Quebec will Present Problems in Respect of Ore Treatment

(Continued from page 1)

ferent treatment from that of the gold ores of the Porcupine and Kirkland Lake districts situated on the westerly extension of the gold belts in Northern Ontario. As a general rule, the Quebec ores have in association certain sulphides and arsenides which make them complex in character, and not so readily amenable to treatment by the cyanide process, which is the practice with the Ontario ores.

For want of better classification, the Quebec ores may be divided into the following types, according to the predominating sulphide minerals present; namely, ores in which chalcopyrite and pyrrhotite are the predominating sulphides; ores in which iron pyrite is predominant; and ores in which arsenopyrite and pyrite predominate.

The Horne ores of Rouyn township, of which several varieties have been exposed by exploratory and development work, may be cited as a sample of the first type. The ore from No. 1 shaft is heavy chalcopyrite, with bands of pyrrhotite carrying gold values considerably above the average for copper ores. On the other hand, the ore from the No. 2 shaft shows the pyrrhotite predominating over the chalcopyrite. The ore in some cases is practically pure pyrrhotite, and in others the chalcopyrite and pyrrhotite are disseminated throughout the rhyolite gangue. Ore has been found on this property almost free from sulphides; a deposit of sphalerite was cut by diamond drilling, and deposits of white iron pyrite carrying little or no values in gold have been uncovered. The ores of the Horne present a metallurgical problem that will require much study and research to determine the most economical method of treatment. Deposits showing ore of a similar character are reported to have been uncovered around Lake Dufault, to the north of the Horne.

The ore of the Stabell mine in Dubuisson township is another example of the first type, namely, those in which chalcopyrite is the predominating sulphide mineral. The ore differs from the Horne ores in that it occurs in a well-defined quartz vein. Pyrrhotite is present, but not to the same extent as in the Horne mine.

The Arntfield and Lake Fortune ores may be taken as an example of the second type in which iron pyrite is the chief sulphide mineral. This type of ore should present very little difficulty in its metallurgical treatment. The Arntfield ore possesses very similar characteristics to that of the Crown Reserve and Associated Goldfields at Larder Lake, Ont., and the Lake Fortune ore is very similar to the Kirkland Lake ores.

Examples of the third type, in which arsenopyrite and iron pyrite are the chief sulphides, are the ore of the Edna Bathurst claim, situated south of Pelletier Lake in Rouyn township, and optioned to the McIntyre interests, and the ore of the O'Brien claims, south of Lake Preissac, in Cadillac township. The presence of arsenopyrite makes these ores more difficult to treat than the majority of Northern Ontario gold ores.

### Extent of the Ore Bodies

Little is known at the present time regarding the extent of the ore bodies. In the main, mining operations have been chiefly confined to exploratory work, such as geological mapping of rock exposures, prospecting, trenching, and, in the case of the larger veins and deposits, diamond drilling. This exploratory work has exposed veins, vein systems, and deposits, very promising as to surface extent, and the logs of diamond drilling operations show continuity at depth. Underground development work, such as shaft sinking, cross-cutting and lateral drifting, has not been sufficient to block out any extensive tonnages of ore reserves.

The property on which the most extensive exploratory and development program has been carried on is the E. J. Miller claim on the west side of Osisko Lake, Rouyn township, known as the Horne Mine, optioned to the Noranda Mines, Ltd. A much oxidized capping extending over a considerable area has been exposed by numerous trenches. For the last two years, intensive exploratory work has been carried on by diamond drilling. Up to the end of 1924, using two, and, at times, three machines, some 14,000 feet had been drilled. The continuity of the deposits, as determined by a series of holes, has been proven to a depth of 250 feet, and one hole pushed down to over 450 feet still showed heavy mineralization. The reported figures for ore reserves, based on drilling only, assuming $6.50 per ton as ore, run into the tens of millions of dollars. Two development shafts were started during last year. Shaft No. 1, near the south boundary of the claim, was sunk to a depth of 120 feet, for the most part in practically solid sulphides. The ore from this shaft is stated to have averaged over 15 per cent. copper and $6.50 in gold. Lateral work was started on the 110 ft. level, to connect up with No. 2 shaft 1,100 ft. to the northwest. The ore of No. 2 shaft, which was started last October, contains more phyrrhotite and less chalcopyrite than the ore of No. 1 shaft. This shaft will probably have reached the 110 ft. level and lateral drifting started to connect up with No. 1 shaft. The ore bodies are of such extent, and of such value that the company officials are considering the erection of a smelter. With an intensive development program by Noranda Mines, Ltd., and the possibility of other large deposits of copper ores being developed, it is probable that Rouyn will be the centre of an active smelting industry, or at least supply the ore for such an industry, in the near future.

### One of First Operations

One of the oldest properties in Northwestern Quebec is the Stabell mine, in Duboisson township, now owned by the Stabell Gold Mines, Ltd. The property was first drilled to establish the continuity of the vein at depth. This information having been acquired, a vertical shaft, the deepest in the district, was sunk to a depth of over 600 feet. Stations were cut at 150, 300, 450, and 600 feet. At the 300-foot level the vein was explored for a total distance of 650 feet by lateral drifting on both sides of the shaft. The drifts followed a quartz vein mineralized with chalcopyrite and pyrrhotite carrying sufficient gold values to warrant sinking to the 600-foot level, and developing laterally on this level. The vein, which has a dip of approximately 75 degrees, follows closely a porphyry dyke about eight feet wide. The country rock is Keewatin basalt.

In Boischatel township considerable exploratory and development work has been done on the Lake Fortune, the Arntfield, and Howard claims. On the Lake Fortune claims, a quartz vein carrying free gold and tellurides was uncovered along the shore of the lake. A shaft was sunk to a depth of 135 feet, and a cross-cut driven north 240 ft. on the 125-ft. level, cutting near its northern extremity a promising shear zone. Lateral drifting is being done on this shear zone, and also from a break encountered in the cross-cut, to pick up the vein exposed along the lake shore.

On the Arntfield claims considerable trenching has been done, exposing a mineralized shear zone with an average width of 150 ft. for a considerable distance along the strike. Portions of this shear zone show fair assay values. Over 3,000 ft. of drilling was done on the eastern portion of the Arntfield claim, and showed the persistency of the mineralization in depth.

### Promising Shear Zone

Further east, close to the boundary between Boischatel and Rouyn townships, the Huronian Belt Co. are exploring a group of claims, and have uncovered, by trenching at intervals for a distance of several hundred feet a promising shear zone in carbonated schist, showing good mineralization, and reported to carry good gold values. The Rouyn Gold Mines, Ltd., have trenched the extension of this zone on the adjoining property.

A considerable amount of exploratory and development work has been done on the Chadbourne claim by the Noranda Mines, Ltd. A large outcrop of brecciated rhyolite was trenched at intervals of 100 feet, and a vertical shaft sunk for 150 ft. The ore is auriferous iron pyrite disseminated throughout the rhyolite. The company suspended operations on this claim to concentrate their efforts on the more promising chalcopyrite-pyrrhotite deposits of the Horne mine to the east.

The first gold occurrence to be developed in Rouyn was the Powell vein, traced for 3,600 feet along the strike. The vein was stripped and trenched, and a shaft sunk for 225 feet. The vein filling was mainly quartz sparsely mineralized with auriferous iron pyrite and a little chalcopyrite.

Other promising claims on which considerable exploratory work, such as trenching and diamond drilling, has been done and on which development by shaft sinking is progressing are the Bronwell and Lowry group in Joanne township; the Pellerin group in Clericy township; the Gouldie claim in Fourniere township; the Union Mining Co.'s and Siscoe Island claims in Dubuisson township, and the Clarke claims in Bourlamaque township. In all of the above claims the iron pyrite is the predominating sulphide in the ore.

Among the promising occurrences of ore in which arsenopyrite is the chief sulphide mineral may be mentioned the McIntyre option south of Pelletier Lake in Rouyn township and the Dumond and Thompson groups south of Lake Preissac, in Cadillac township. The latter groups are being explored by O'Brien Mines, Ltd., and the Victoria Syndicate, respectively. The exploratory work on these claims consisting of stripping, trenching, etc., has exposed quartz veins of considerable length mineralized with arsenopyrite and iron pyrite, and carrying visible free gold. The country rock is conglomerate intruded by masses of porphyry.

### Mines Are Promised

Although it is true that small tonnages of ore reserves have been actually blocked out by underground development, the surface indications are such as to promise the development of a number of operating mines in the near future. Sufficient information has been disclosed by diamond drilling and development at the Horne to assure that this property will develop into a mine of considerable size. Intensive development work during the next year or two will determine whether sufficient ore will be blocked out to warrant large scale smelting operations. With the exception of the Horne, Stabell, and Lake Fortune, and Powell, active underground operations are only starting. Although exploratory work has proven gold to occur throughout an area extending from the provincial boundary eastward to the Hurricanaw River and for a strip of undetermined width south of the Transcontinental railway, and veins and deposits carrying gold values have been found, trenched, and explored by diamond drilling, the development of these into producing mines is still a question of the future.

### Possible Methods of Treatment

Considering the mineralogical classification of the ores mentioned above, a brief survey of the possible methods of treatment may be in order. The three types of ores already described will be discussed separately.

Ores in which chalcopyrite and pyrrhotite are the predominating sulphide minerals.

Certain varieties of the Horne ores, such as the ore from No. 1 shaft and the heavy pyrrhotite ore from No. 2 shaft, and other sections of the deposits cut by diamond drilling, would be amenable to pyritic or semi-pyritic smelting. The disseminated ore of this property will require concentration to eliminate the siliceous gangue rock for this class of smelting operations. The highly siliceous gold ore could be used as converter flux. By these methods the various Horne ores could be treated. Limestone and coke would have to be brought in, and the blister copper either refined at the point of smelting operations or shipped out for refining, depending on the cost of electric power. Highly siliceous ores like those of the Stabell, containing copper and gold values, make a desirable flux for smelting operations. The economic use of such ores for this purpose depends on transportation charges to the smelter. The treatment of these ores at the mine will depend to a large extent on the distribution of the gold values; that is, whether the gold is associated with the chalcopyrite or with the pyrrhotite, pyrite, or quartz, or gangue; or with all the sulphide minerals. If the gold is associated with the chalcopyrite, concentration of this mineral from the iron sulphides and gangue will produce a copper concentrate that might stand shipment to the smelter. If the gold values are contained in the iron sulphides and gangue as well as in the chalcopyrite, concentration will need to be supplemented by cyanidation. Cyanidation of gold ores containing appreciable amounts of copper has not yet been proven to be an economic operation.

Ores in which iron pyrite is the predominating sulphide mineral:

The general class of ores of this type found throughout the gold belts of Northern Ontario and Quebec are those in which the sulphides are disseminated in the vein matrix and not as massive sulphides. Where the sulphides are massive, they, as a general rule, carry little or no gold values. The disseminated type of ore presents no difficult metallurgical problem. The cyanide process has been successful in recovering the gold values. However, the indications are that such ores in Quebec, in a number of cases at least, will contain small amounts of chalcopyrite which will make their treatment more difficult. Unless the chalcopyrite is removed by concentration, the consumption of cyanide is prohibitive. If the chalcopyrite is concentrated from them it will generally carry a portion of the gold values. The successful treatment of such ores depends on the proximity of smelting works where the concentrate can be sold at a profit, unless the ores are high enough in gold values to stand the excessive cyanide consumption, or to permit of the stacking of the concentrate until they can be sold or otherwise profitably treated.

Ores in which arsenopyrite is the predominating sulphide mineral:

The economic treatment of ores of this type depends largely on the sale of an arsenical gold concentrate to a smelter equipped for the recovery of the arsenic as well as the gold values, as is the case in the treatment of the arsenical ores of the Nickel Plate Mine, Hedley, B. C. Arsenical-gold ores are being concentrated in Nova Scotia, and the concentrates shipped to Belgium. Shipments of arsenical-gold concentrates from Northern Quebec would be prohibitive on account of excessive transportation charges. However, an arsenic refinery could be installed on a compartively small scale, and need not involve an excessive expenditure. Arsenic commands a favorable price in the world's markets, and indications are that the price will be well maintained. Ores of this type will, therefore, present no insurmountable difficulties if sufficient is developed to warrant the erection of small arsenic refineries, or a central one for the district. The process would be one of concentration, cyanidation, and refining of the arsenical concentrates. Should it be found uneconomical to recover the arsenic content in such ores, cyanidation without excessive consumption of cyanide is possible. It is also possible to make good recoveries of the gold values by cyanidation and concentration, or vice versa, and subject the concentrate to a supplementary treatment of roasting and amalgamation in a grinding pan.

### Mines Branch Investigations

Although the treatment of the gold ores of Northwestern Quebec presents difficult metallurgical problems, the history of the metallurgy of complex ores indicates that an economic treatment will be found, provided that sufficient ore reserves are available. The Mines Branch, Department of Mines, Ottawa, realizing the complex character of the ores as compared with the ores of Northern Ontario, is experimenting in a small way on possible methods of treatment other than those of established practice.

Research is being conducted along the following lines:

1. The smelting of the heavy chalcopyrite-pyrrhotite ores and concentrates in a non-oxidizing atmosphere, using an alkali flux to slag off impurities, and producing a low-grade matte containing all the metals such as copper, iron, and precious metals, and also the sulphur content of the ores; the roasting and chloridizing of the matte; the leaching of the chloridized matte in weak acid solution, leaving an iron oxide residue for conversion into iron and steel products; the electrolysis of the leached solutions for the recovery of the copper and precious metal values.

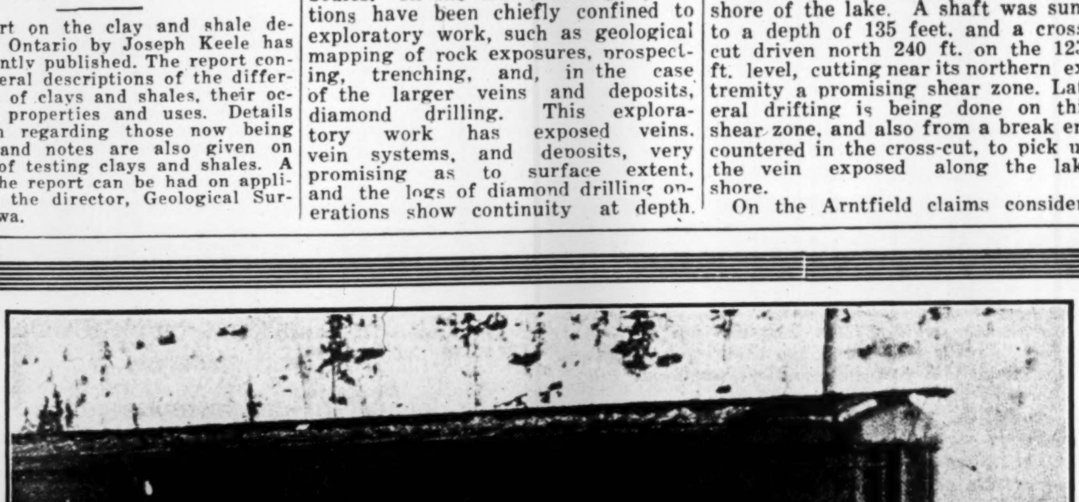
Such a method applied to the Horne ores would permit of smelting operations at the mine without any serious damage to vegetation in the immediate vicinity, as all the sulphur content of the ores goes into the matte. As the property is situated in the clay belt, in a good agricultural district, at present covered with uncut pulpwood, smelting operations in which the sulphur is allowed to escape into the atmosphere would be the cause of considerable damage to the surrounding country, and worry to any operating company. The low-grade matte could be shipped to a point where little vegetation exists and where cheap electric power could be made available, with the possibility of utilizing at least some of the sulphur content for industrial purposes. The iron content and also the copper and precious metal values could be recovered. It is upon processes of this nature that the greatest economical development of our mineral resources will ultimately depend.

2. An investigation is being made of the cyanidation of cupriferous gold ores, in which the copper content will not permit of the economic recovery of the copper values. Research is being conducted on such ores carrying copper values up to 2 per cent. copper, by cyaniding the ores in the regular manner, precipitation of the dissolved gold and copper values with the regeneration of the cyanide. If a process of this nature could be worked out and demonstrated to be commercially feasible, it would have a wide application in the treatment of cupriferous gold ores, including many of the ores of Northwestern Quebec.

3. The concentration and cyanidation of cupriferous gold ores: Experimental work is being conducted on the concentration by selective flotation of the chalcopyrite and the cyanidation of the flotation tailings. This process depends on the establishment of a smelting industry in the district where the copper concentrate could be sold at a profit.

### Other Mineral Occurrences

Gold, chalcopyrite, and arsenopyrite, are not the only economic minerals of the district. Molybdenite was mined during the war years and for some years previous. The chief occurrences of the mineral are in the district south of Amos, on Indian Peninsula, in Preissac township and east of Lake Malartic in La Corne and Malartic townships. They are easily reached by water route up the Hurricanaw River from Amos. The molybdenite occurs in a network of pegmatitic quartz-feldspar veins, many of which show the mineral in what would appear to be economic quantities. Indications are that this mineral will be found over a much wider area. The market for molybdenite, which declined at the close of the war to such an extent that all production ceased, is gradually gaining in strength with the consumption of war stocks, and the discovery of new uses for the metal. It is possible that mining operations will be renewed in the very near future.



Northern Gelatin being loaded onto sleighs at Dane, Ont., for the 65 mile haul into the Rouyn Goldfields.

FIRST IN ROUYN
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It is significant of the Quality of our product that the first carload of powder consigned to Rouyn should be

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TORONTO
SUDBURY
THETFORD MINES
WINNIPEG

# Quebec Field Lay Dormant Years After Its Discovery

### First Real Work Done on Stabell But Horne Has Focused Main Attention — Much Work Being Done Over Wide Area

During the rush of prospectors into Northern Ontario after the discovery of Cobalt, a few parties strayed east of the interprovincial boundary into Quebec, confining their searches to the rock exposures along the canoe routes. Thus was discovered in 1906 an occurrence of native gold near Lake Fortune. In the summer of 1911 another discovery was made on the east shore of Lake De Montigny, 65 miles east of the first, and during the following years trenches were dug and shallow shafts were sunk on the Martin property and on the Siscoe property as well as on other lots where promising occurrences had been found. It was not until 1922 that the first diamond-drill was brought into Dubuisson; it was set up on the Foisie-Kengrow claims.

The following year, diamond drilling was performed on the Stabell property. The results were such as to induce the owners to sink a shaft, from which, at the end of the year 1924, exploratory drifting was being pushed actively on the 600-feet level.

While renewed interest was being manifested towards the discoveries in Dubuisson, a rush was taking place in Rouyn and adjoining townships. Mild at first, it gradually grew as the importance of the occurrence of the gold-copper deposits in the northwest corner of Rouyn became better known. This discovery was made on the Miller-Horne group of claims staked in 1921—the first staking recorded in Rouyn. The news of the discovery spread out, and, at the end of 1922, claims covering a total area of 86,000 acres had been recorded in this and adjoining townships. During the following year mining rights covering 185,000 acres were taken up from the Crown, while for 1924 the acreage of new claims recorded, mining licenses issued and concessions granted, form a total of nearly 300,000 acres.

**North of Sediments**

Though searchers and prospectors were to be found in every one of the townships of the district, by far the greater number of claims recorded were located on or immediately north of the belt of Timiskaming sediments. Both in the Keewatin and in the Timiskaming formations, prospecting has been fruitful and some of the most active organizations have located finds that promise well.

Too little is known yet to allow one to generalize on the associations of the ore occurrence of the gold region of Northwestern Quebec. From a casual inspection of the various discoveries of auriferous sulphides, one is led to group them according to the dominating sulphide, which may be either chalcopyrite, pyrite or arsenopyrite. The first is generally found with basic Keewatin rocks, the second with the more acid types of the same series, and also in granite batholiths, and the third with the Timiskaming sediments.

First we have the remarkable auriferous chalcopyrite deposits of the Miller claim, in the northern part of Rouyn, now being developed by Noranda Mines, Ltd. Fifty miles away, in Dubuisson, is the chalcopyrite of the Stabell mine. Other copper occurrences are reported from the Howard claim in Boischatel, from the Amulet properties near the Rouyn-Dufresnoy township line, and from the northwest corner of Destor. Among the auriferous sulphides, some are found with visible gold, others without. Among the deposits of the former type mention may be made of the Glazier claim in Dasserat; the Lake Fortune mine in Boischatel, where gold is found associated with tellurides; the Edna Bathurst claim in Rouyn, the Lowry and the Lyon claims in Joanne, the Thompson-Dumond group of claims in Cadillac, the Gouldie property in Fourniére, the Siscoe, the Sullivan, the Martin and the Foisie-Kengrow in Dubuisson, and the spectacular find reported lately from the R. A. Black claim in Bourlamaque township. Of the latter type are the Arntfield properties and the Huronian Belt claims in Boischatel, the Chadbourne, the Powell, the Sheldon-Demers, the Bruce-Thibault in Rouyn, the R. D. Clark claim in Joanne, and so on.

**Cupriferous Deposits**

No other mining property in Northwestern Quebec has been prospected as much as the E. J. Miller claim, better known as the Horne mine, one of a group of claims optioned to the Noranda Mines, Limited. In a recent interview with a newspaper reporter, the president stated that the company, since the fall of 1923, had spent for the option and for development work $220,000, and that the rate of monthly expenditure was now $25,000. The work of last year consisted in trenching, diamond-drilling, and shaft sinking. Numerous trenches have exposed a much oxidized iron capping extending over a considerable area. Two drilling outfits, and at times three, were kept running during the last twelve months putting holes from 200 to 450 feet deep, and forming a total of 14,000 feet of core. The indications of the shallow surface excavations and of the drills have induced the company to sink two shafts: No. 1 near the south boundary of the claim, and No. 2, 1 100 feet to the northwest of the first. Shaft No. 1 was sunk to a depth of 110 feet in a solid mass of sulphides, mostly chalcopyrite, carrying high values in gold. Early in October, lateral work was started on the first level; it consists in two drifts and two cross-cuts. It is stated that the ore in this shaft averages 16 per cent. copper and $6.63 in gold. Shaft No. 2 must by now have reached a depth of 100 feet.

The ore-bodies on the Miller claim are of such an extent and of such value that the officials of the company are now preparing plans for the construction of a smelter of a daily capacity of 1,000 tons of ore, to be erected somewhere in the northern country.

Stabell mine is now owned by the Stabell Gold Mines, Ltd., a company controlled by Canadian and American capital. After a short diamond-drilling campaign which produced satisfactory information, a vertical shaft was started in October, 1923, and has now reached a depth of 600 feet; it brings to this property the distinction of having carried on the deepest development in the district. Stations have been cut at levels 150, 300, 450, and 600 feet. The 300-foot level was explored by 650 feet of drifting and crosscutting, equally divided east and west of the shaft; and the same amount of lateral work has been accomplished at the 600-foot level. On the 300-foot level the drift follows a quartz vein sufficiently mineralized with auriferous chalcopyrite and pyrrhotite to make this deposit one of economic importance. The vein has a dip of 75 degrees, and a strike of north 60 degrees west; it follows closely a porphyry dyke eight feet wide. The country rock is Keewatin basalts cut by dykes, termed by Dr. Cooke granodiorite porphyry.

In the northwest corner of Rouyn a very interesting outcrop of copper ore was located last fall on the McDonough group of claims by the representatives of the Amulet Gold Mines, Ltd., doing assessment duties on these claims. The company has performed some prospecting work on a flat outcrop of dark greenstone very much altered to chlorite, close to a contact with a volcanic rock of a lighter color. Very little has been done here to prove the width and length of the mineralized area, but over a width of at least 15 feet chalcopyrite occurs in notable quantity.

**Iron Pyrites Deposits**

In the fall of 1923, F. S. Arntfield, while exploring the country east of Lake Fortune, made the original discovery on a group of claims of an area of 1 867 acres, now owned by the Arntfield Gold Syndicate. Much work has been performed during the last twelve months on this property, under the supervision of Alderson and MacKay, consulting mining engineers. A good geological map of the claims has been prepared as a first step towards development. Most of the trenching and diamond-drilling has been done on the original discovery, and a set of substantial log cabins has been erected close to the workings. Prospecting has been concentrated mostly on a mineralized sheared zone in the Keewatin rock series. This zone has an average width of 150 feet, and has been traced along the strike from the Baker claim on the east into the Francoeur claim to the west, a distance of 5,000 feet. It has a strike of North 71 degrees West, and dips north 55 degrees.

In the centre is a vein of quartz of irregular width, flanked on both sides with carbonated schists showing light pink and yellowish grey alternating narrow bands. The mineralization consists of fine crystals of iron pyrites disseminated throughout the schisted zone, and carrying gold values. The assay values in six trenches cut across the zone over a length of 530 feet shows widths of from 10 to 30 feet of low-grade ore averaging from $3.60 to $6.46 in gold. The writer has been informed that on that portion of this zone now being prospected on the Francoeur claim owned by Alderson and MacKay, higher average assay results have been obtained. The 3,159 feet of drilling done in the eastern portion of the F. S. Arntfield claim has shown the persistency of the mineralization in depth.

**Howard Claim**

Much trenching was done last summer by the Chance Syndicate on the Howard claim located to the north of the Post claim of the Arntfield group. A mineralized zone striking east-west has been uncovered for a length of 800 feet in Keewatin rocks. Its width is about 100 feet. A dyke of red syenite porphyry follows what may be assumed to be the centre of the mineralized zone, while a second dyke of red porphyry cuts the first and the ore-body. The mineralized zone is a brecciated rhyolite, mineralized with fine-grained iron pyrites, disseminated or segregated, a little chalcopyrite and a few crystals of galena. Magnetite is a special feature of this deposit; it is found as films surrounding the blocks of rhyolite, or as small segregated masses. This area is very interesting geologically on account of dykes of various intrusive rocks cutting both the fracture zone and one another.

**Lake Fortune Mining Co.**

This company, now managed by Messrs. Alderson and Mackay, of Montreal, did some underground exploration work on Block A in Boischatel township, a property prospected at one time by the Union Abitibi Mining Co. During last year the owners did surface trenching, exposing a strongly sheared zone near a mass of syenite porphyry. On this property beautiful specimens of free gold and of dark grey to black tellurides can be obtained. In the fall of 1923 prospecting on this property exposed a vein on the southeast shore of Lake Fortune. It strikes north of east and dips under the lake. To prospect this vein in depth a vertical shaft, known as No. 2, was sunk early in the year to a depth of 135 feet. At 125 feet a crosscut was driven 240 feet towards the north, cutting near its northern extremity an important sheared zone. A second crosscut was also opened 150 feet west of the first. The country rock is Keewatin greenstone.

At the east side of Boischatel township the Huronian Belt Co., Ltd., in the performance of assessment work on the H. McMillan claim, has discovered a very interesting sheared zone in a carbonated schist. Shallow pits dug at intervals along several hundred feet of the zone have shown mineralization accompanied by splashes of quartz and calcite occurring very irregularly. The schist strikes north 70 deg. west, and dips

(Continued on page 23)

SISCOE GOLD MINES LIMITED

Proven Ore-bodies

Shaft Down and Much Cross Cutting Completed

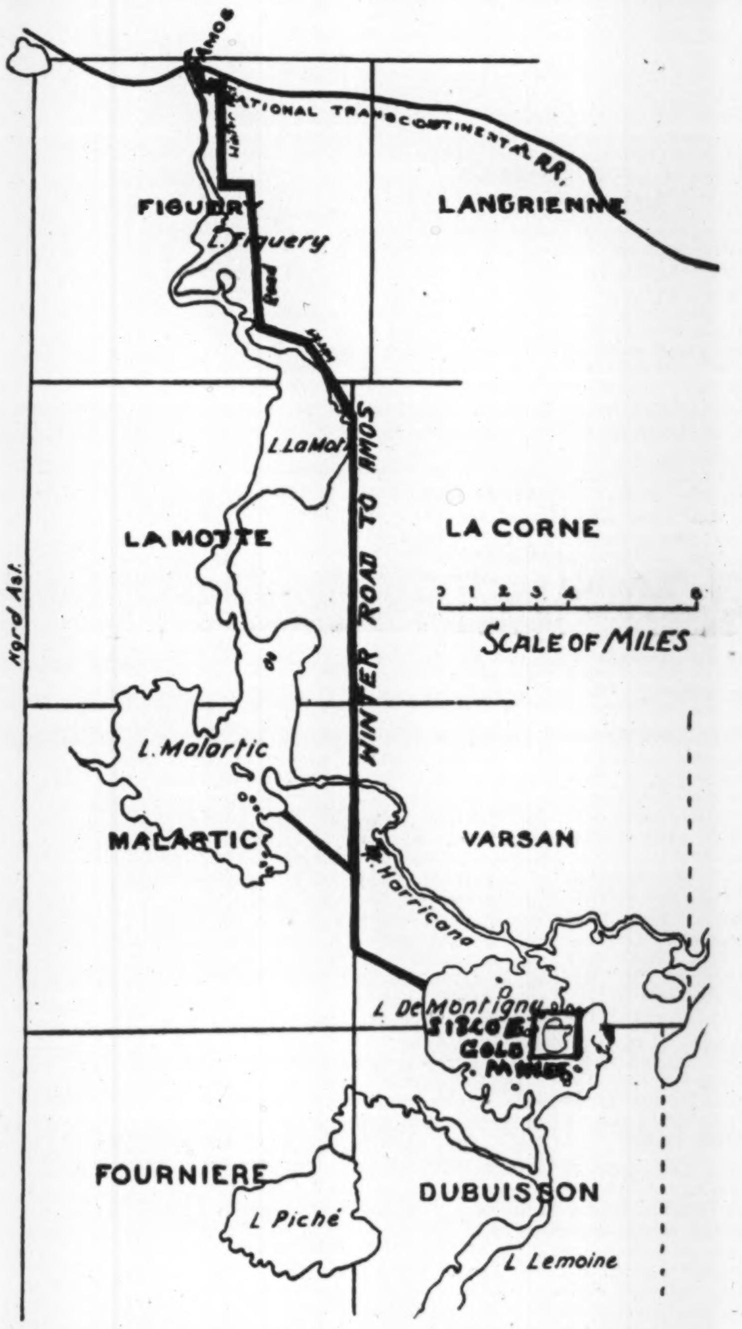
OVER 280 feet of cross-cutting has been done on the 100-foot level. This work has revealed and proved that the spectacular surface ore-bodies continue to depth. Two main shafts are now at a depth of 100 feet where stations have been cut and preparations have been made for thorough exploration at this level, before continuing deeper.

Anyone who has been on the property, will confirm the view that SISCOE is already a mine—the ore-bodies have been proven, both on the surface and underground by development work. Wonderful results have been obtained. To date, representative assays have yielded a gold content of about $20 to the ton. Milling and mining cost somewhere between $5 and $8 to the ton—that is, a clear profit of over $10 for every ton of ore which comes from the shaft.

The mine has had many reports made by competent engineers; they include: Prof. J. W. Bell, of McGill University; John A. Dresser, M.E., ex-president of the Canadian Mining Institute; Prof. A. Mailhiot, of the Polytechnic School of Montreal; Chas. Spearman, B.Sc., of Montreal.

Every report on the property has urged its immediate development. You have these men's opinions, you have had these opinions confirmed by the work which has been done on the property to date. SISCOE offers you the opportunity of benefiting in the results which are coming in the Quebec mining fields—results which have already turned the eyes of the mining world on Quebec and brought, not only the big Canadian operators into the field, but also American capital.

SISCOE GOLD MINES is not a barren prospect with a small acreage, but covers an area of about 950 acres in good geological formation on which, not only surface work has been done, but real underground development. It is located about the centre of the mining activity of the HARRICANA district. Your interest in the property is well represented by a strong board of directors.



Map showing transportation facilities to Siscoe Gold Mines, Ltd.

Steady Progress

Good Results Expected in a Short Time

NOT only have SISCOE GOLD MINES, LIMITED, a promising mine and a valuable property, but the financing is so arranged, that the investor is assured of obtaining his share of profits. The authorized capital of the company is 3,000,000 shares of $1 par value.

To date, the financing has been carried on largely by private subscription to take care of present requirements. The promoters felt that the property was of such value that they should retain as large an interest as possible—but now the mine has reached a stage of development that its future is practically assured, and the original promoters feel that development should be prosecuted as quickly and as efficiently as possible. It is for this reason that a small allotment of shares is being offered the public at 40 cents a share.

You can obtain shares of the company with the assurance that they will be listed in due course. This issue of stock is sold only to hasten development, and not to provide an opportunity for stock market gambling and manipulation. As the work at the mine progresses, further issues will be made at enhanced prices, which will return more money to the company's treasury.

Twenty-five men are employed at present on the property. There is a complete mining plant on the ground, which meets the present requirements and ample building accommodation for 50 men.

The accompanying map shows that there is good transportation to the mine; in winter by team, and, in summer, by water, and a projected railway line is under consideration which will pass within a short distance of the property. The latest report on the property by the consulting engineer is on file at our office—a copy will be sent upon request.

Officers and Directors

J. T. TEBBUTT, *President*, Three Rivers, Que.
President—Tebbutt Shoe & Leather Co.
Director—Kirkland Rand Mines, Ltd.

W. S. JONES, C.A., *Sec.-Treas.*, Montreal, Que.
Coulter & Jones, Accountants.

STANLEY E. SISCOE, Amos, Que.
Mine Operator.

T. HIGGINSON, C.E., Montreal, Que.
Manager—Automatic Sprinkler Co.

JOHN D. WALSH, Montreal, Que.
Vice-Pres.—R. W. F. Mines, Ltd.

G. W. BITHELL, Montreal, Que.
Leather Goods Manufacturer.

*Consulting Engineer*
CHAS. SPEARMAN, B.Sc., M.A.

Mine Office:
SISCOE ISLAND, via AMOS, P.Q.

Extracts from the Engineers' Reports

*The property covers an area of 948 acres.*

*Twelve veins have been discovered on the property; one of the veins has an average width of six feet, and has been followed for 350 feet. Prospecting along the sheer zone running across the whole island will certainly disclose numerous other veins of the same character.*

*All assays, made on representative samples, run above $20.00 per ton in gold.*

*Free gold is very abundant in all the veins.*

*Several hundred feet of sinking and drifting has been done on the property.*

*The property is not a mere prospect, but a well established mine.*

*The geology of the district, and of the island in particular, is similar to the geology of the Porcupine District.*

*No railroad is needed to open up the district. Navigation to railroad crossing at Amos, for river steamers, is open during eight months of the year.*

Write for Information

We can furnish you with the latest information on SISCOE GOLD MINES' progress.

Because of our intimate connection with the mining industry in Northern Ontario and Quebec, we are in a position to give you the latest and most accurate information on the North Country. Write us; any information is rendered gladly and is free of charge.

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QUEBEC, P.Q. PLATTSBURG, N.Y.

# Quebec Field Lay Dormant Years After Its Discovery

(Continued from page 22)

north 65 degrees. The schisted rock is well mineralized with cubes of iron pyrites and carries very good values in gold. Log cabins were built last fall and a campaign of diamond-drilling is now under way.

### Rouyn Gold Mines, Ltd.

Three diamond-drill holes were put down last winter on the N. C. Pearce and N. H. Pearce claims, three on the D. H. Angus, and one on the Ellen Angus. This last claim is just east of the H. McMillan claim of the Huronian Belt Co., and the sheared zone picked up on that claim occurs under conditions similar to those on this claim. A gang of men was kept busy all summer doing trench work. It was reported a few days ago that, at a meeting of the board of directors, it had been decided to begin shaft sinking at once.

### Chadbourne Claim

On a large outcrop of brecciated rhyolite standing above the general level of the country, Noranda Mines, Ltd., in the course of the past eighteen months has done a considerable amount of development work. The ore is auriferous iron pyrites disseminated in rhyolite and in the filling of quartz and calcite between the pieces of country rock. The deposit was first examined by a number of parallel trenches and a large area was cleared of all timber and underbrush. Last spring a vertical shaft was sunk to a depth of 150 feet, from the bottom of which the ore-body was explored by drifts and cross-cuts.

Noranda Mines has suspended operations temporarily on this property in order to concentrate all its energy and means on the copper deposits of the E. J. Miller claim, to the east.

### Powell Claim

The Powell was the first gold occurrence to be developed in Rouyn. During the winter of 1922-23 a small mining plant was brought in over the snow roads to sink a shaft on a promising vein which had been discovered the summer before. The Powell vein is a very persistent one, having been traced for a distance of 3,600 feet. It has a maximum width of eleven feet, strikes north 31 deg. west and dips about 60 deg. east. The vein filling in mainly quartz, sparsely mineralized with auriferous iron pyrites and a little chalcopyrite. A considerable amount of stripping and trenching have been done. In March, Nipissing Mines, Ltd., took this property under option and sank a shaft to explore the vein underground. The shaft was sunk on the vein to a depth of 225 feet. Evidently the results of this work did not satisfy the company and the option was dropped.

### Brownell Group

In the northeast corner of Joanne the Brownell Exploration Syndicate has done a considerable amount of work on a group of claims staked last winter by Robt. Hoffman. Besides doing considerable prospecting work, the syndicate has cut 13 miles of trail, and has built a handsome log cabin near a small lake on the Walsh claim. Last summer's work consisted in contour and geological mapping, general prospecting and trenching. A sheared zone, said to be 250 feet wide and running S. 80 deg., E., has been partly uncovered at the four adjoining corners of the N. Brownell, the C. Hurd, the J. G. Walsh, and the G. Lyon claims. In this zone several veins have been found, one of which is from three to eight feet wide and has been traced for 160 feet. It is well fractured, has local development of iron pyrites and carries considerable tourmaline. It contains gold; fair assay values have been obtained from grab samples. The wall rock is much schisted and highly carbonated. Three hundred feet to the south of this vein is another of a width varying from 6 to 18 inches, carrying visible gold for a length of 150 feet. Other veins have also been located.

### Joanne-Clericy Granite Area

In the north part of Joanne township and about two miles east of the Kinojevis River is a large batholitic intrusion of granite, extending north into the adjacent portion of Clericy township. This intrusion is most interesting, for on two groups of claims the presence of free gold has been reported; the Lowry group in Joanne and the Pellerin group in Clericy. The occurrences are similar, being mineralized fissured zones in the granite. These fissures contain lenticular bodies of quartz. On the Lowry claim the vein has a width of 40 inches and strikes N. 47 deg. E. The wall rock is remarkably decomposed and schisted. In it are to be found numerous cubes of iron pyrites. Visible gold is to be seen in some of the veins, and, on panning samples from the rich sulphide zones, a long tail of fine colors is found. On the G. Pellerin claim prospecting was mostly confined to the northeast corner of the claim where a quartz vein has been traced for a total length of 86 feet. The vein is 36 inches wide in the centre; at both extremities it diminishes to but a mere fissure in the rock. The strike is N. 28 deg. E. and the dip 45 deg. The quartz contains numerous parallel secondary fissures, filled with dark greenish-grey mineral forming streaks in the quartz.

### Gouldie Claim

A rich pocket of quartz with visible gold was discovered in the fall of 1923 on the Gouldie claim, No. 4850, in Fourniére township. A considerable amount of prospecting was carried on during the following winter and the earlier part of 1924 consisting of numerous trenches and in the sinking of two shallow shafts.

The country rock is grey biotite schist with a vertical dip and a direction of schistosity of N. 66 deg. W. Interbedded with the schist are two parallel sheets of a cream-colored rock composed mostly of granular quartz near the walls, gradually replaced by white feldspar until in the centre the rock is feldspar with a little muscovite. The main dyke is 230 feet wide, and can be traced for a considerable distance along the strike. Near the wall the quartz is mineralized; ankerite, iron pyrites, chalcopyrite, galena, and free gold are to be seen.

### Foisie-Kengrow Claims

The Union Mining Corporation of Ontario has under mining licenses a block of claims in Dubuisson township forming an area of 600 acres known as the Foisie-Kengrow property. This company has performed considerable development work on the property. A good landing on the Thompson River, a corduroy road half a mile long to the mine, camps, water tower, spacious boiler room, head-frame over a shaft, and considerable clearance around the buildings, represent the year's work.

In a zone of green schist outcropping to the southeast of a knoll of diabase is to be found an irregular vein of white quartz, containing sulphides and native gold. The vein is wide and apparently dips towards the southwest.

The deposit has been examined to a depth of 400 feet by means of diamond-drill holes. A vertical shaft has been sunk.

### Siscoe Island

A small gang of men were kept at trench work during part of the summer and a new vein was discovered close to the buildings. It is over 200 feet long, dipping under a thick mantle of clay at both extremities. The vein is lenticular, the lenses being in echelon. The greatest width as exposed is eight feet. The strike is east-west. Visible gold occurs in this vein. At the end of the year, shaft sinking was resumed. It was reported at the end of November that shaft "D" had reached a depth of 120 feet, and that at this level the new vein is to be reached by a cross-cut.

### A. R. Black Claim

In Bourlamaque township, three miles east of the Stabell mine, a float of quartz showing much free gold, was found last spring by Robert C. Clarke on the A. R. Black claim (M. L. 2053a). A systematic search carried on during last summer has been rewarded by the discovery, 200 feet to the north, of a vein which is probably the source of this float. The vein is reported to be seven feet wide, and well mineralized. A shaft is now being sunk to a depth of 100 feet. At this depth the vein will be prospected by means of drifts. A camp has been built, and some 25 men are now employed on this property.

### Arseniferous Deposits

The writer has tentatively grouped here a certain number of deposits discovered during last summer in the course of the performance of assessment work. That these occurrences have been found to date only in the sediments of the Timiskaming series is a characteristic to be noted. Such occurrences have been found on the Edna Bathurst claim and on the Bruce-Thibault claims in Rouyn, on the R. D. Clerk claim in Joanne, and on the Thompson group and the Dumond group in Cadillac township.

### Edna Bathurst Claim

This claim is one of a group staked three and a half miles south of Lake Pelletier in Rouyn township by Robert Gamble during the winter of 1923-24. This group has been taken under option by the McIntyre-Porcupine Mines, Ltd. The claims are in an area of low ridges extending in an east-west direction. The country rock is mostly a conglomerate with granite and greenstone pebbles, and is intruded by small masses of a dark grey porphyry with phenocryts of white feldspar sometimes as much as one inch long. Zones of fissuring have been found in both the conglomerate and the porphyry. In this sheared zone blue-grey quartz has been deposited as irregular lenticular masses. The country rock along these lines of fissuring is schisted, carbonated and mineralized. Free gold, arsenopyrite and pyrite represent the auriferous material. The lode has a strike of N. 88 deg. W. and a dip to the north of 45 to 50 deg. It is to be noted that the strike corresponds to that of the general direction of the sediments. Its maximum width of mineralization is nine feet. The quartz is much fractured in places and the fissures are filled with a light-green, very fine-grained schisted carbonate, accompanied by arsenopyrite. Free gold is found in fissures in the quartz.

The McIntyre-Porcupine Mines Ltd., started prospecting this property in the last days of August, 1924 with 13 men. A camp was built and surface work carried on.

### Bruce-Thibault Claims

These two claims are south of Lake Routhier in the eastern part of Rouyn. They were optioned to the Coniagas Mines, Ltd., and much surface work was done by this company during the summer months. Prospecting was done in a slaty rock of a grey-blue color, the conglomerate formation being found exposed only at the southern extremity of the claims. The country rock is much compressed and altered, and in places has been cut by white quartz forming small and very irregular bodies. Carbonates are also present. The rock near the quartz contains small crystals of arsenopyrite. Samples of the mineralized portion of the rock and quartz when assayed have yielded very good values in gold.

### R. D. Clerk Claim

Staking on the belt of Timiskaming conglomerate was also carried into Joanne township last winter. While performing assessment work on a group of claims two miles east of the Kinojevis River, the Prospector Syndicate discovered in the conglomerate on the R. D. Clerk claim rusty sheared zones with quartz stringers accompanied by arsenopyrite. A grab sample representing the rock and quartz from the rusty zone yielded $5.40 to the ton. The occurrence is similar to those found elsewhere along the belt. Much geological mapping was done on these claims as a preliminary to development work.

### Cadillac Township

The attention of the prospectors was called to this township after Austin Dumond had discovered free gold on a group of ten claims staked last winter on the projected ranges IV and V. This group of claims is located to the east of Blake River, and a second group, just as interesting, known as the Thompson group, was staked on the west side. These two groups can very well be described as one, as they are on the longest zone of fracture yet found in Northwestern Qubeec; with its extension into the Graham group in Bosquet its total length is about three miles. The Dumond group was staked for the O'Brien Mines, Ltd. Prospecting, stripping and trenching, was begun in July. At the end of November, 2,000 feet of trenching had been done, and a shaft sunk to a depth of 38 feet. Beside this, substantial log buildings had been erected.

The Thompson group was optioned to the Victoria Syndicate and a considerable amount of trenching was done here also.

The country rock is a conglomerate accompanied by intrusions of svenite porphyry. The porphyry is schisted and contains much calcite and tourmaline. The zone of fissuring has been filled with quartz of a grey-blue color in which free gold occurs over considerable distances. The quartz is found fairly consistently over the full length of the zone, with widths varying from mere shreds to bodies fifteen feet wide. The wall rock is much schisted, carbonated and mineralized, containing in addition to free gold, much arsenopyrite and some tourmaline. On the O'Brien property it is claimed that a thorough channel sampling has shown a length of 800 feet to give good values over workable widths.

In performing the assessment work required by the Quebec Mining Law during the past year as well as developing further the few gold occurrences formerly known, results have been obtained that are quite satisfactory; a district, mostly unprospected and unknown from a mineral point of view, has been found to be extensively mineralized. Discoveries have been made over an area of nearly 100 miles long and of undetermined width. Copper ores exist in large masses on the E. J. Miller claim, and a commercial deposit of gold ore has been blocked out at the Stabell, while other occurrences have been found of as yet unknown extent. Numerous sheared zones have been located both in the volcanic rocks of the Keewatin series and in the Timiskaming sediments. These lines of movement have been zones of replacement; carbonates and sulphides have been deposited, sometimes accompanied by free gold, probably to be accounted for by the intrusions of porphyries observed by geologists in every township examined.

It is true that no spectacularly rich ore-bodies were found in 1924; but where long zones of fissuring have been exposed, like at the Arntfield, the McMillan, the Edna Bathurst, the Thompson-Dumond, etc., we have deposits of low value, sections of which are of commercial grade. By no means has all the territory staked been sufficiently prospected. More development work on deposits already located, and more systematic prospecting in adjacent areas, should be planned for the new year. The year 1924 saw a real start in the making of new gold camps in Northwestern Quebec.

# Bosquet to Dubuisson Looks Like Producer of Many Mines

*The following letter was received by the mining editor from an old Ontario prospector who has spent the last sixteen months in the bush of northwest Quebec. His views are interesting, his opinion, because of his knowledge of mining, valuable. Reference to the sketch map will help in perusing his letter.*

"The country between Bosquet township to Dubuisson looks to me like the future producer of many mines. Wherever work has been done, good ore has been found. This refers to Cadillac township particularly. On the O'Brien property a vein in the porphyry has been traced for 1,500 feet and visible gold was found all along the vein. A shaft is being sunk and is now 85 feet deep. This has been done by hand. Machinery, however, is on the way and the sinking will be continued. Visible gold has continued to depth and the vein has widened.

"Work is being done on the E. J. Thompson claims west of the O'Brien and on the Peacock claims, east of Saner. Further east, Martin Meers has made a very good gold discovery during the past week (Feb. 24).

"The porphyry in Cadillac is about 200 feet wide and at the contact with the Keewatin it is heavily mineralized. This is where the gold values are being encountered, same being in blue quartz veins.

"There is an excellent road from Amos to the O'Brien and on to the E. J. Thompson claims. Both these properties have good camps erected. The coming spring should be one of great activity along the belt, and there is little doubt but what many more discoveries will be made.

"Don't forget to send me a copy of the Rouyn number."

# Old Timers Are Behind Rouyn Gold Pan Syn.

Quite a number of old Northern Ontario residents, not a few of them who benefited by the success of the old Hudson Bay silver mine of Cobalt, which paid 25,000 per cent., have jumped into the Quebec field and organized the Rouyn Gold Pan Syndicate. It is rather a coincidence also that they chose W. H. Taylor, president of Taylor Hardware, as president. His father was head of the old Hudson Bay. The company has 160 acres, known as Bailey claim, in Rouyn; 200 acres in the same township, the C. B. Stevenson claim; 240 acres on Dufault Lake, 200 acre Richardson claim, another 71-acre claim in Rouyn, and 360 in Dufresnoy township. The ore on the latter is said to be the same as the Horne, and shows values of 11.78 per cent. copper, and $2.80 to $11 in gold to the ton. Syndicate holders were paid 700,000 shares of stock in payment for the property. C. R. Stevenson, New Liskeard, is manager.

# Three Gold Veins Found in Rather Unique Claims

Fred. MacLeod, in opening up claims staked in North Joanne township for Nipissing Mines, has now located three gold-bearing veins on the group. The occurrence is unique in the camp, with the exception of the Provencher vien in Cléricy township to the north. There is a large intrusion of granite in Cléricy east of the Kenojevis River, the southern extremity of which extends about two miles into Joanne. Dr. Robert Harvie, who examined the locality geologically, considers the exposed granite to be the uppermost part of a large intrusion or batholith, for it contains numerous much altered inclusions of the older rock of Keewatin age, as "roof pendents." The gold-bearing veins or zones are consistent in their extension, and contain much visible gold in places.

# Diamond Drilling on Rouyn Cons. Proposed

Rouyn Consolidated Mining properties consist of some 1,200 acres in all, divided into three groups, all of which have favorable locations in Rouyn Township. Surface work on the property, under the supervision of W. A Gamble, has shown good results, especially so on that acreage which is situated to the east of the McIntyre holdings. It is reported that there have been several offers made to the company for their properties. Work on the various groups will recommence as soon as the weather conditions in the spring permit. Diamond drilling will commence about the middle of May.

# McIntyre Makes Study of Large Quebec Group

McIntyre has done little in the way of testing out the large acreage which it has under option from Gamble Brothers. So far a systematic prospecting effort has been carried out whereby the geology of the large tract is completely mapped out, and any veins marked and recorded. Considerable free gold has been found on surface, and it is expected that during the coming summer aggressive exploration of the more important veins will be started by a series of test pits and surface trenching.

# Took Mine Tunnel 20 Years to Drain Off

Over twenty years ago a mile long tunnel was projected and driven on the Highlander property, near Ainsworth, Kootenay, B. C. Several hundred feet above lay the Albion group. Part of the Albion workings were filled with water, which was in evidence at all seasons of the year. A short time ago the water disappeared entirely from the Albion shaft, and the supposition is that it has taken all this time for the accumulated water to find a new channel and drain off through one of the several fissures tapped by the Highlander tunnel.

# Nova Scotia Coal Mine Beats This Record Easily

It was the great Joseph Howe who said to a Canadian audience: "If you cannot boast of anything else, boast of the size of your country." An American mining man, speaking of Zeigler coal mine, said that it had an output of 7,000 tons per day from one shaft and that in twenty years it had produced 12,000,000 tons of coal; and he added: "What single mine on the American continent can beat this record?" Canadian Mining Journal's Nova Scotia correspondent replies that since 1901 the great No. 2 shaft at Glace Bay has produced 20,000,000 tons. This shaft taps two seams and, while there are two collieries known as Nos. 2 and 9, yet the output all passes through one shaft. Again, No. 2 mine alone has since 1901 produced 13,000,000 tons of coal. The whole output from this shaft comes from beneath the Atlantic ocean.

2946 Acres

Favourable Holdings

With numerous properties situated in the best districts of Northern Quebec, with some of the properties adjacent to many of the larger mining companies' claims and with the exceptional results which have already been obtained through surface work, the

Don Rouyn Gold Mines Ltd.

presents an opportunity to the investor who wishes to participate in the dividends which soon will follow work in the Quebec mining fields. The intention of Don Rouyn is to develop their claims, then sell them as they are proved to the older mining companies. Write for maps of the Rouyn district and also for information on the possibilities of DON ROUYN.

St. Lawrence Finance Corp.
Members Montreal Mining Exchange
Dominion Express Bldg.
MONTREAL

ST. LAWRENCE FINANCE CORP.,
Dominion Express Bldg.,
Montreal.
Please send me gratis a map of the Rouyn district.
........................................
........................................

INCORPORATED UNDER THE DOMINION COMPANY'S ACT

UNITED GAMBLE HOLDINGS
LIMITED

AUTHORIZED CAPITAL $5,000,000.00
50,000 SHARES OF $100.00 EACH
NO PERSONAL LIABILITY NON ASSESSABLE
Efficiently Directed Mining Development and Operations on 37 Blocks in the Rich
QUEBEC GOLD FIELDS

MINES IN THE MAKING

POLICY AND PLAN OF OPERATION

THE POLICY

THE POLICY of United Gamble Holdings, Limited, is to acquire, explore and develop prospects and properties, in vast pre-Cambrian area of Northern Quebec and Ontario with the object of discovering real mines and bringing them to a dividend paying stage. Any properties that do not measure up to our standard after thorough examination will be discarded and others acquired.

Intensive development on every block will be commenced as soon as weather conditions permit, which will mean the maintaining of a large force of men in the field under the direct supervision of experienced mining men.

THE LAW OF AVERAGE

WE ARE thus operating upon the well known Law of Average. On the basis that well directed development operation on mining properties well located in different sections of the entire zone should result in several producing mines.

When it is borne in mind that only one mine will justify the entire capitalization of $5,000,000 it will be readily seen that United Gamble Holdings should have a most wonderful future.

GAMBLE BROTHERS AND THEIR ACTIVITIES

GAMBLE BROTHERS together with their associates and prospectors have put their time, energy and money into the fields and are the type of men who have given this rich territory to the world and are making the North country.
Gamble Brothers have created profits for practically every client with whom they have had business dealings in the past, which in itself is a criterion of what they may do in the future.

"Gamble Bros." is the Combination Which Will Unlock the Treasure Vaults of the Great Pre-Cambrian Gold Fields of Quebec.

POSSIBILITIES OF PROFIT

TO VISUALIZE the enormous possibilities of profits presented by United Gamble Holdings, Limited, these things should be borne in mind:—

1. The immense acreage, the number of blocks and their strategic scattered location over the entire belt.

For if big producing mines are ultimately proven in any part or parts of the Gold Belt, we also have properties in the same sections, in the same formations, and should also have producers.

2. The comparatively small capitalisation of $5,000,000.

How Dividends May be Earned

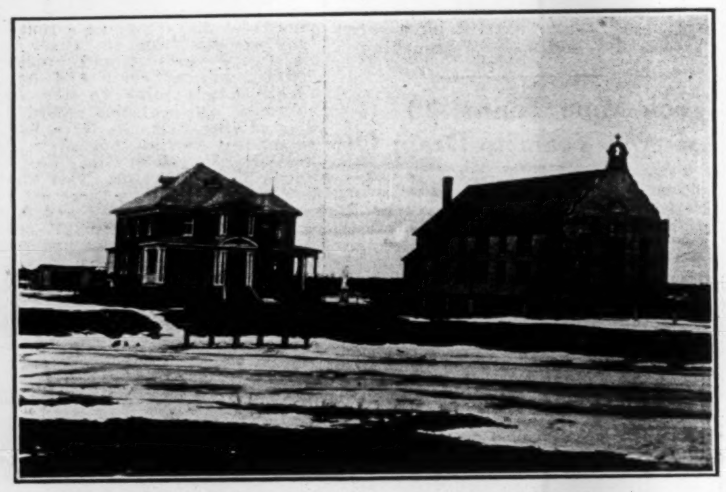
First:—By staking and acquiring well located properties and selling them as undeveloped claims.
Second:—By prospecting and developing properties to establish mineralized veins and selling to brokers or mining companies for cash and a stock interest.
Third:—By developing properties to the producing stage, mining the ore and selling the ore to smelting companies.
Fourth:—By developing properties to the producing stage, erecting mills and smelting plants and selling the bullion.
The first two methods will provide dividends in a shorter time, but the last two, although taking a longer time, will give the bigger earnings.

GAMBLE BROTHERS, 101 ARCADE BLDG. OTTAWA, ONT.
Maps and Prospectus upon request
MINING, EXPLORATION AND DEVELOPMENT

**The Short Road to the Great Gold Mining Sections of Quebec**

# LASARRE

**A Place of Opportunity for Settlers, or Miners, Prospectors or Capitalists**



The Presbytery and Roman Catholic Church

## The Gateway to the Gold Belt

WHILE the town of LaSarre is only eight years old, having been founded in 1917, its situation, at the doorway of the great gold mining townships of Quebec, has rapidly brought it to the fore.

LaSarre is on the Canadian National main line, and from it the great mining townships of Duparquet, Hebecourt, Boischatel, Rouyn, Destor, Duprat, Mont Bray, Dasserat, Clericy, Joanne and Cadillac are readily reached. The land road from Ville Marie leading to Boischatel and Rouyn runs just south of the town and will shortly be connected with it by a good road.

From LaSarre also runs the direct water route to all the gold fields, which runs by the LaSarre River, Lake Abitibi, Duparquet River and Lake, Dalambert River and Lake Dufault. This is the shortest route from the Rouyn fields to the railroad, and naturally is the highway for much of the materials used in the mines of that section. The Lands Department of the Quebec Government have realized the importance of this route and have guaranteed that this waterway will be kept clear of obstructions, and have apportioned a considerable sum of money for that work.

The most recent sensational finds have been made in the Duparquet area that lies 20 miles due south of the town. In this section are located The American Smelting and Refining Company, in charge of E. F. Heffler, one of the pioneer engineers of Northern Ontario, John Taylor and Sons, Anglo-French Mining Company, Mond Nickel Company, Abitibi Mining Company, Buffalo Mining Syndicate, Dome Mining Company. All these companies are at present operating, and will largely extend their activities during the coming summer. These sections are connected with LaSarre by a good winter road, while the water route by the LaSarre River and Lake Abitibi while 30 miles in length, is an easy and economic way of reaching the properties. During the past summer, Professor Graham, of Queen's University, Percy Hopkins, of the Mond Nickel Company, and formerly Ontario Government geologist, as well as J. B. Tyrrell, and C. F. Barney, noted geologists, visited the section and were greatly impressed with the showing. It is generally considered that this section is the most promising in the Quebec belt. The section lies due east of the Porcupine, and the formation of both sections are identical. The veins are large and well mineralized, and several mining companies operating in the section at the present time have reported very satisfactory assays.

## A Splendid Section for the Tourist

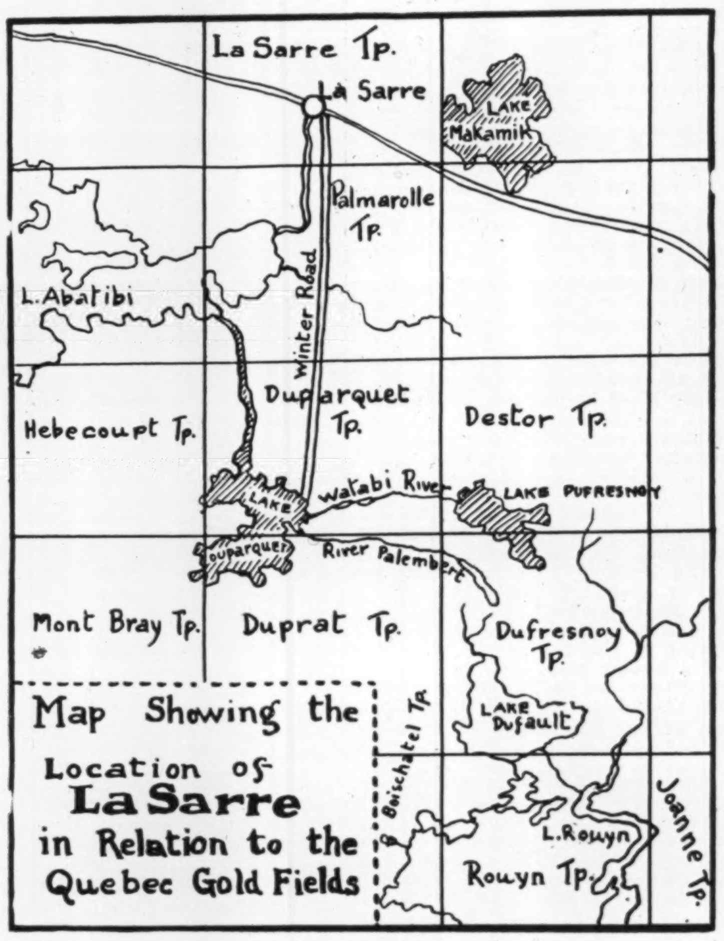
LaSarre is located on the Canadian National Railway, 87 miles east of Cochrane, 487 miles from Quebec, and about the same distance from Montreal. Leaving Quebec or Montreal on Monday, Wednesday or Friday will bring you to LaSarre the following afternoon.

From LaSarre can be begun one of the finest canoe trips to be found anywhere on this continent, namely, down the LaSarre River, across the east bay of Lake Abitibi, up Duparquet River to Lake Duparquet, a distance of about 40 miles.

Duparquet Lake has a considerable number of rocky islands all well timbered, and beautiful scenery surrounding. Looking from the north end of Lake Duparquet towards the south-east there is a magnificent view of the height of land composed of high hills 22 miles away. There are several small lakes adjoining Lake Duparquet.

The trip could be continued up the Kanasuta River to Lake Dasserat, or the Lake of the Islands, which is more picturesque than Lake Duparquet. The distance from Lake Duparquet to Lake Dasserat is about 20 miles, or about 60 miles from LaSarre. The trip is not a hard one as there is no swift water. From LaSarre to Lake Duparquet there is one short portage, and from Lake Duparquet to Lake Dasserat or the Lake of the Islands there are four short portages.

The country is in its virgin state, unlimbered and unburnt, and is famous for moose, caribou, deer, bear, and an abundance of great northern pike, black bass, pickerel, and speckled trout.



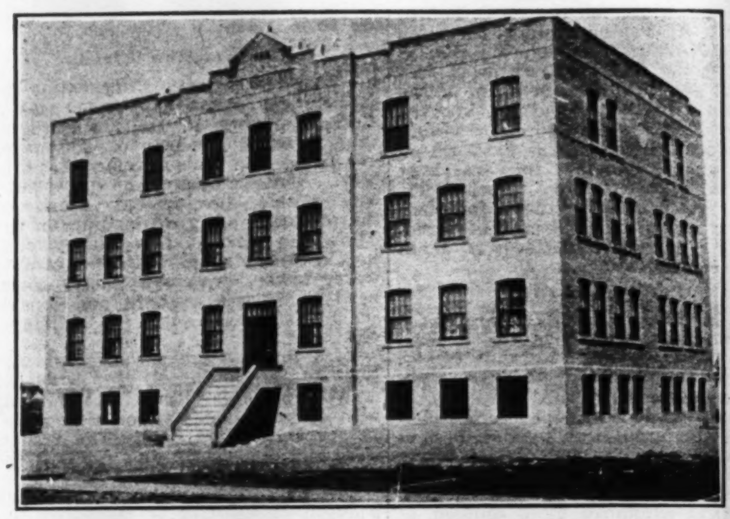
Map Showing the Location of **LaSarre** in Relation to the Quebec Gold Fields

JULES LAVIGNE
Mayor of LaSarre

HOTEL PAQUET

LaSarre has comfortable and ample hotel accommodation

**The Mayor and Council**
MAYOR:
Mr. Jules Lavigne, N. P.
MEMBERS:
Mr. Léonidas Boisvert,
Mr. Henri Bergeron,
Mr. William Lefebvre,
Mr. Donat Déry, Mr. Joseph Aubé,
Mr. Edwidge Bordeleau.
Sec.-Treasurer: Mr. J. A. Gagnon.



The splendid, modernly equipped Public School at LaSarre

## A Growing and Prosperous Town

LASARRE has a population of upward of 1,500 people, and in the surrounding township there is an additional 1,500. It is in every way a modern municipality. The Council, since its inception, has undertaken an enormous task. It has completed 70 miles of good road, suitable for automobile traffic. It has a splendid city hall.

There is a school committee under the direction of Pierre Letourneau that directs the work of two large schools, that care for the education of 400 pupils. There are also nine schools in the surrounding township that care for a similar number.

LaSarre is the only town in Abitibi that can boast its own electric lighting system. There is 1,500 horse power developed at Letourneau Falls, five miles distant, and an additional 700 horse power at Mercier Falls on White Fish River, three miles distant. These also serve some of the industries of the town.

The town has its own local telephone system, telegraph, drainage and police protection, and a splendid water works system drawing water from Spring Lake, two miles from the town.

The town is served by 11 stores, two butchers, two bakers, tinsmith, shoemakers and poolroom. There are two doctors in the town and a lawyer and a notary. There is a splendid opening here for a dentist.

The Hudson's Bay Company has a branch in the town under the management of Leslie Laing. This does a fur trading business with the Indians, who have a reserve 11 miles to the south of the town, and also deals in general merchandise for prospectors. There is also a branch of the Canadian Packing Company located here.

In the immediate vicinity are some of the finest lands in Abitibi, and the provincial government has an experimental farm in the section.

## A Great Timber Section

In addition to its mining interests, the section adjoining LaSarre has a wealth of timber land. There are nine saw mills located here, sawing annually many millions of feet of lumber. Among the mills represented in this great output are those of Pierre Letourneau, Edward L. Mercier, McGovern Brothers, Latourneau and Lambert, Ltd., F. X. Martel, A. Leclerc, Alb. Pelletier, Maxime Cote, J. Gallichan.

The pulp industry is also of great importance. Leonidas Boisvert represents Mooney and Byrne, of Quebec, J. A. Huart, Albert Hamel and McGovern Brothers, and the Abitibi Power and Paper Company combined do a large volume of business in pulpwood in the district.

Other industries of the town are the Sash and Door factories of Alex. Roberge and Aug. Bronsseau, and the blacksmith shops of M. Fournier, Donat Dery and R. Latourneau.

## *TO SUM UP:*

**Are you a Prospector or a Capitalist?**
You will find through LaSarre the best mines located in Abitibi District. Stop at LaSarre and all accommodations will be gladly furnished you.

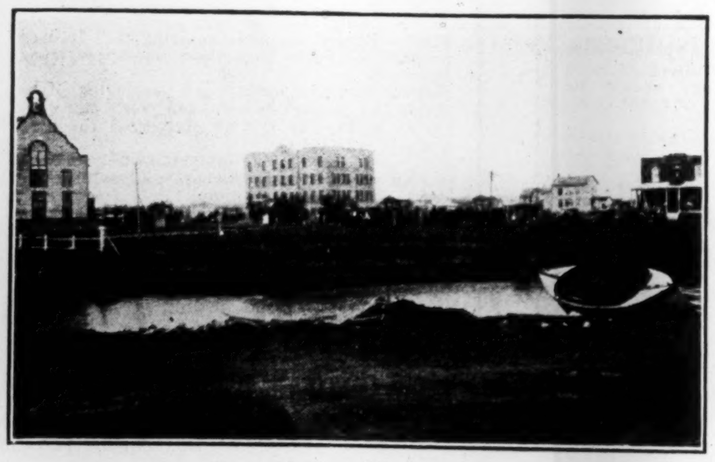
**Are you interested in Industries?**
Our electrical system, waterworks, telephone, and our natural resources offer a good opportunity for you. Come and see.

**Are you a settler?**
You can buy land here at a very low and fair price. Don't lose your chance.

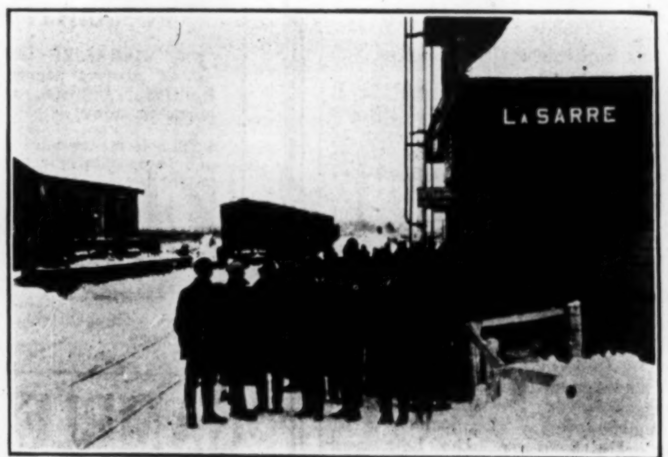
**Are you a tourist?**
It is impossible to find a better gateway to the beauties of the Abitibi District than by LaSarre.

Mining Prospectors, Capitalists, Industrials, Settlers, Tourists are WELCOME here.

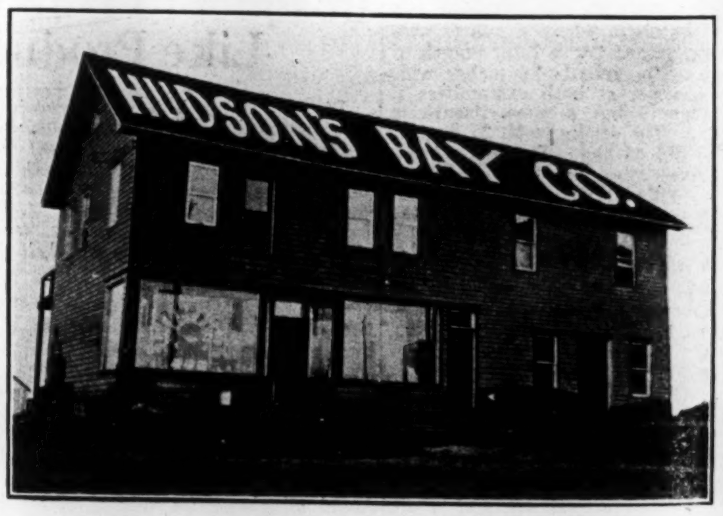
For full information apply at:
Mr. J. Lavigne, Mayor, or R. Pepin, C.N.R. station agent, or Mr. Joseph Paquet, hotelkeeper, or Leslie Laing, Hudson's Bay Company, LaSarre.



A view of LaSarre



The Canadian National Station at La Sarre.



The Hudson's Bay Company's Post at LaSarre

# AIRPLANES BRIDGE BIG GAP LEADING TO QUEBEC FIELDS

### Long Jump That Took Days Now Negotiated in Few Hours

## CARRY MAIL ALSO

### Winter Service is Supplied With Heated Machines—Last Year Not Financial Success

The opening up of the Northern Quebec goldfields has developed the use of airplanes as a method of transportation to a mining camp. H. D. Wiltshire, Laurentide air service, in reviewing that company's experience in operating from Haileybury to Rouyn, and now from Larder Lake, says the service was intended primarily for the transportation of passengers, baggage and perishable or rush express, and was entirely successful from an operating standpoint, with a total of 861 flights involving 1,004 flying hours, carrying 425 passengers, 8,599 lbs. of baggage, 55,385 lbs. of freight and 780 lbs. of mail, without accident involving injury to personnel or passengers or loss of freight. Unfortunately, the volume of business offered was not sufficient to make this operation successful financially. Statistics show that throughout the season an average of slightly over 300 lbs. per flight was carried, which figure represents approximately one-third the carrying capacity of the machines. This in a word explains the lack of financial success. Had it not been for the assistance rendered by the Canadian Pacific Railway Company at Angliers and the assistance of the town of Haileybury in establishing the air-harbor there, it would not have been possible to continue the service until the end of the season.

It is felt that, as a result of the air service and the publicity it received, successful development of the Rouyn goldfields has been advanced by at least two years, and this achievement alone is justification for this enterprise and the future support which is necessary for its continuation.

**Schedule of Rates**

A schedule of rates was issued early in the season, from which are extracted the following items:

Passenger fare, Angliers to Rouyn or Lake Fortune, $50 single fare (with an allowance of 25 lbs. of baggage.)

| | |
|---|---|
| Excess baggage, per lb. ..... | 20c. |
| Parcels not exceeding 100 lbs., per lb. .................. | 20c. |
| Minimum parcel rate ........ | $2.50 |
| Shipments over 100 lbs., under 500 lbs., per lb. ........... | 17c. |
| Shipments over 500 lbs., under 2,000 lbs., per lb. ......... | 15c. |
| Shipments one ton and over, per lb. ........ ........... | 10c. |

Subsequently the passenger fare from Angliers was reduced to $40 single fare and $75 return, and with the establishment of the base at Haileybury, passenger rates, Haileybury to Rouyn or Lake Fortune, were fixed at $60 single fare.

The air service quickly demonstrated its superiority over other forms of transportation and from the commencement practically all first-class mails were carried by air. The increasing importance of the Rouyn goldfields and the resultant increase in the number of operators and employees resulted in a corresponding increase in the volume of mail, and this mail service, gratuitously performed, soon became a considerable burden. In addition, it was drawn to our attention by the Post Office Department that loss of mail by unauthorized carriers involved heavy liabilities and for these reasons it was felt that this mail service could not be continued without authority from the postal authorities and without compensation.

Representations were made to Ottawa in this connection which were supported whole-heartedly by the operators in the district and eventually permission was secured to issue a special air mail stamp and authority was granted by the Postal Department which permitted the carriage of mails by aircraft, provided this special air mail stamp was affixed.

This, the first air mail service in Canada, filled a real need in this district and many cases are on record where mails or important telegrams were received at Rouyn and replies despatched and received at outside points with remarkable speed.

The condition of the water at Angliers from submerged logs was the determining factor in changing the location of operating headquarters to Haileybury, and thereafter Angliers remained a port of call.

The base at Haileybury, situated on Lake Timiskaming, presented problems of a different nature. Lake Timiskaming is a large lake and during strong wind the waves reach alarming proportions, and it is extremely difficult to provide safe mooring for aircraft. Very little protection is offered from the force of the waves and on three occasions damage was occasioned to machines as a result of their moorings being dragged during heavy storms. During unsettled weather it was necessary that constant watch be kept to avoid this trouble. This rough condition of water also made it extremely difficult to take off, particularly when heavily loaded, and on some occasions flights had to be abandoned temporarily from this cause.

Lakes Fortune and Osisko at the goldfields were the reverse of this condition, these lakes being comparatively small in size and difficult to get out of, under adverse conditions with heavy loads. In fact, during extremely hot weather, it was necessary to limit the loads carried from these lakes to avoid running unnecessary risk, as at such periods the density or buoyancy of the air is below normal and the efficiency of aircraft is lowered proportionately.

In spite of these handicaps imposed by nature, satisfactory service was maintained.

The winter service was maintained with aircraft equipped with ski-landing gear. With the assistance of the T. and N. O. Railway Commission, a large hangar was erected at Larder Lake, and from this point service maintained with these machines, paralleling the winter land route to Lake Fortune and Lake Osisko and vicinity. These machines have enclosed cabins to protect the passengers from severe temperatures. The service was quite a success.

# Last Year Eventful for Gold Mining Industry of Quebec—Outlook is Decidedly Bright

### Large Number of Claims Being Developed—Four Railways Are Watching Area and Transportation is Quite Badly Needed as Aid to Development

By HON. J. E. PERRAULT,
Minister of Colonization, Mines and Fisheries, Province of Quebec

The year 1924 has been eventful for the gold industry of the province of Quebec. In fact, the discoveries and development work carried out during the summer of 1924 really mark a new era, as for the first time there is an almost assurance that Quebec will soon take an honorable place among the gold producing provinces.

Up to now our province has been, in the main, a producer of non-metallic minerals. But with the gold discoveries in the townships of Boischatel, Rouyn, Joanne, Dubuisson, Bourlamaque, and the blocking out of large bodies of gold-bearing copper sulphides in Rouyn and Dufresnoy, Quebec promises to be an important producer of metallics in a near future.

The trend of the gold belt in Quebec has been discussed so widely in the last two years, in official government reports, in the technical press, and in the daily press, that the hundred miles in length that it covers, from the Ontario boundary to the Bell river, are now familiar to all who take any interest in Canadian mining matters. Owing to the main discoveries having been made in Rouyn township, the western part of the belt is known generally as the Rouyn district, of which Rouyn city (or settlement) is the centre, while the eastern half is called the Harricana or Dubuisson district.

**Transportation to Rouyn**

In the Rouyn district roads have been established from the south and from the north, by the Quebec government, and winter communication between Macamic, on the C.N.R., and Rouyn, as well as between Angliers on the C.P.R. and Rouyn, are all that could be desired. A bi-weekly mail service from Macamic functions regularly, and passengers are taken to Rouyn city by the mail coach for five dollars. The teaming of supplies and machinery is done at reasonable rates, varying between $2 and $3 a hundred pounds, according to the importance of the contracts. Another road, which is the most traveled, enters from the west, from the Ontario mining camp of Larder Lake. In summer these means of access are supplemented by two water routes starting from Angliers, by lac des Quinze and Opasatica Lake on one hand, and lac des Quinze, Lake Expanse, rivers Ottawa and Kinojevis on the other; both routes navigable by gasoline launches and canoes. Besides these, the Laurentide Air Service maintained all last summer a daily service by hydroplane.

These means of access have served the purpose of the prospector up to now, but they are insufficient for bringing in heavy machinery and supplies of mining camps which have producing mines. The time has come when railway transportation is indispensable for the development of the district into operating mining camps, and the first railway which will reach Rouyn will, in all likelihood, capture the freight traffic for all time to come.

**Four Railways Watch Field**

There are at present four railway organizations considering entering the field: The Canadian Pacific Railway, from Angliers, 50 miles from Rouyn; the Canadian National Railway from Macamic, 45 miles; the Temiskaming and Northern Ontario Railway from Larder Lake, 45 miles; and a new company—the Abitibi Southern Railway Co., from Mont Laurier, 250 miles.

The last concern, owing to the long mileage to be constructed, would not, under the most favorable conditions, reach the gold belt for several years. Of the others, they all have an equal chance to be the first on the ground. The C.P.R. or the Canadian National Railways would be the more desirable, as either would connect the gold fields direct with Montreal, and the traffic would remain within the province of Quebec. The Temiskaming and Northern Ontario Railway would divert the traffic to Toronto. Nevertheless a railway is urgently needed, and as the main object is to develop the gold-fields, anyone of the three railways first entering them would be cordially viewed by all interests concerned.

# GOLD OPERATIONS MEANT CHANGES IN MINE REGULATIONS

### Size of Claims Has Been Cut From 200 to 40 Acres

The opening up of gold mining in Northwestern Quebec has necessitated many important changes in the mining laws and regulations of the province. One of the most important of these reduced the size of claims from 200 to 40 acres. The staking of a 200-acre claim was a very difficult bit of work even for an experienced prospector, and the subsequent survey of these claims often disclosed that their superficies would reach 300 acres and even 400 acres. Instead of being square or rectangular, these claims were often quite irregular. It is easier to follow the lines of a 40-acre claim, and thus to avoid the danger of encroaching upon other territory and thereby causing contention. Prospectors still have the right to stake 200 acres, but these have to be divided into sections of 40 acres each. Another result of this amendment is that the work which the holder of a claim is obliged to do during the six first months following the staking of the claim is five times greater on a superficies of 200 acres.

Another amendment, which is greatly appreciated by prospectors, is that which obliges them to affix a metal plate to each angle stake in a claim. These plates are supplied by the department of mines. These metal plates are of a real advantage and help greatly to determine the lines between the various properties. Holders of a group of five contiguous claims may concentrate his development work on any one of the claims in the group. This amendment is most advantageous and assures more efficiency in the work.

To facilitate the surveying of claims and diamond drilling, it was decreed that survey work on a claim would be accepted as development work, up to the extent of twenty-five days, and that in the case of diamond drilling, two days' work is allowed for each foot bored.

Staking of a mining claim is valid for six months, and, at the end of this term, the holder must secure a mining license on payment of an annual rental of 50c per acre. To avoid this obligation and obtain a new delay of six months it happened that some holders would have the same land staked over again by other people. To avoid, or at least diminish these frauds, an amendment was made establishing that any claim or license which has been abandoned can only be reopened for prospecting and staking after a delay of fifteen days from the abandonment of the claim or license. By this amendment, the holder of a claim who desires to keep his rights will not take the risk of being forestalled by other prospectors who would have had time to find out from the department or its agents if the claim was retained by means of a mining license.

## MUCH IMPORTANT WORK BEING DONE ON MANY CLAIMS

(Continued from page 17)

wide. Values in gold of about $15 a ton were encountered. The shaft was then deepened to 600 feet and work is now going on at that level.

**Favorable on Clark**

Nearby, favorable discoveries have been made on the Clark claims. The chief work has been stripping and trenching, though one shaft has been sunk 18 feet. Two exposures, 1,600 feet apart, have been made on what is presumed to be the same vein. At the western end the vein is 6 feet wide and carries free gold in a gangue of quartz and hornblende. Assays are reported varying from $32 to $63, with the values mostly in native gold. At the eastern end, the vein is about 2 feet wide and carries ferruginous carbonate as a gangue and much lower values. Another vein shows values from $5 to $10.

A feature of the summer's work in the district is the extent of new ground opened up to prospecting. A very large part of Clericy Township has been staked. Numerous granitic intrusions with which the gold-bearing veins are related hitherto unknown, have been found. Though prospecting is still at a very early stage here, some free gold has been found and numerous veins carrying sulphide mineralization. The adjacent township La Pause is heavily drift covered and though the existence of some intrusives is known, little has been done in the way of prospecting. Free gold has been discovered in at least two localities in Joanne Township. Destor Township has also been the site of free gold discoveries. This township has the advantage of numerous outcrops and in its southern part, vegetation has been completely removed by a series of fires. The last four townships are among those examined this season by the writers and concerning them first hand knowledge has been collected. Credible reports, however, indicate that discoveries of interest have been made in numerous parts of this large district. The work to be done in the coming season will probably justify a much more definite opinion on the potential value of the district than can now be formed and will indicate that mineralized areas at least worthy of investigation will be more widespread than has been previously considered.

## VICTORIA SYNDICATE

Victoria Syndicate have a small party doing assessment work on the Murray group of claims immediately to the north of the Horne.

# MUCH U.S. MONEY GOES INTO NORTH QUE. OPERATIONS

### Quite a Number of Concerns Are Getting Funds in U.S.

## OUTLOOK EXCELLENT

### Present Year Should See Great Deal of Activity Throughout Extensive Area

New York reports are that considerable United States money will be sent into Quebec to develop properties there. Some Wall St. houses are preparing to take a hand in raising finances for the new camp. Bourlamaque township and vicinity will get considerable attention. The Charles Bob syndicate, who represent owners of the Anaconda mines, have a program which involves the expenditure of $250,000 in developing the Clark extension. William A. Reid syndicate will spend a similar amount in development work on the Clark-Reid properties. On the Stabell properties, International Nickel interests, represented by the Agnew syndicate, will this year spend at least $350,000, as well as erect a mining plant and mill.

Clark-Bourlamaque Gold Mines, Ltd., will, through the Wall Street house of Maloney, Allerton and Co., finance extensive development of their holdings. Samuel Reichbach, president of the financing company, asserts that the development plans of the Clark-Bourlamaque involve the expenditure of several hundred thousand dollars this year.

The Gould interests, who are represented by the Wall Street house of Chadbourn and Thompson, anticipate spending $5,000,000 in Rouyn township, provided that a railway is built to Rouyn this year. The fact that Sir Henry Thornton, president of the Canadian National Railways, has announced that such a railroad would be built, practically assures the expenditure of that amount.

It is reported that M. J. O'Brien, Renfrew, Ont., and associates, who are developing mines in Cadillac township, 20 miles west of Bourlamaque, will spend at least $150.000 this year in further prospecting work. The Siscoe mines has a program that provides for an expenditure of $100,000. A similar sum will be spent by the Union mine, three miles west of Bourlamaque township.

These companies, however, are merely a few of those which are planning extensive development work. About twenty other companies will, between them, spend around $1,000.000 in the Abitibi district during the year in developing holdings.

# NON-FERROUS METAL PRODUCT OUTPUT OF CANADA HIGHER

### Over 106 Million Estimated Invested in Plant and Equipment

Representing an actual investment of more than 106 million dollars in plant and equipment, 333 establishments in Canada manufacturing products from metals other than iron and steel in 1923, produced commodities having a total selling value in excess of 88 million dollars, and a value added by manufacturing of more than 45 million dollars, according to a report on this subject recently issued from the mining, metallurgical and chemical branch of the Dominion Bureau of Statistics at Ottawa. Chief among these industries, both from the point of view of capital investment and of production volume, was the manufacture of electrical apparatus and supplies. This industry gave employment to 13,268 persons and produced goods having a selling value of $51,364,400.

Brass and copper manufactures, including rolled, cast and fabricated products, were made in 81 plants; the value of the output was $16,793,595.

Precious metal products, such as jewellery, clocks, watches, table cutlery, silver and silver-plated wares, dental gold and other dental supplies, were made in 97 establishments, representing a capital investment of nearly 10 million dollars. Upwards of 2,600 employees earning 3.5 million dollars made products valued at $10,072,672.

Production of aluminum from bauxite ore was carried on at Shawinigan Falls, Quebec; 20 other plants, all in Ontario, fabricated aluminum products such as kitchen utensils. The value of the total output from these plants was $7,017,830.

Lead, tin and zinc products such as white metal alloys, babbitt metals, solders, type metals, lead in bars, ingot and pipe, collapsible tin tubes, etc., were made in 20 plants, the total production reaching a value of $2,181,273.

## MELVILLE DISTRICT MAP

Geography and geology of Lake Melville district, Labrador peninsula, is the title of a report by Dr. E. M. Kindle that has been published recently by the Geological Survey. Lake Melville is a wide expansion of Hamilton river and with Hamilton inlet forms a continuous waterway that permits sea-going vessels to penetrate 150 miles inland from the outer islands. The report contains information on the water system, meteorological conditions, the flora and fauna and the geological features of the area. Copies may be had at twenty-five cents each by applying to the director, Geological Survey, Ottawa.

# AMOS PREPARING FOR SPRING BOOM

### Authorities and Mine Operators Are Making Many Plans

Amos, Quebec, is looking forward to a great boom in the spring. The bill before the Quebec legislature providing for the incorporation of the municipality into a town under the Cities' and Towns' Act is but a prelude to a number of improvements that will be started shortly in order that the capital of the Abitibi region may reap its full benefit from the development work that is to be carried on by mining companies operating in the district this spring and summer.

Provision has been made for the expenditure of millions this year in working the mineral fields in the region adjacent to Amos. Plans are all made for the influx of American capital for development work.

The idea is to provide the workers at the various mining camps with social and recreational opportunities. One of the first improvements planned is the construction and operation of a theatre. Half the cost of erecting and operating the theatre has been pledged by the mine operators. The other half will be furnished by the citizens.

It is also planned as soon as Amos obtains its town charter to secure a government liquor store. The purpose of this is to eliminate the sale of moonshine liquor, which is the only kind now obtainable in the region. At a recent meeting of the municipal authorities and the mine operators, where the groundwork for the improvement work was laid, it was pointed out that not only would the municipality benefit, but the operators themselves would reap considerable advantage, through the sale of liquor under the restrictions of the Quebec liquor law.

Hundreds of miners will be employed in the district this year. The influx will be necessary to take care of development work planned by the operators. The municipality plans to provide for those miners when away from the camps the sort of recreation and pleasure that they most want and to do it in such a way that they will return to their jobs fully able and competent to carry on their work.

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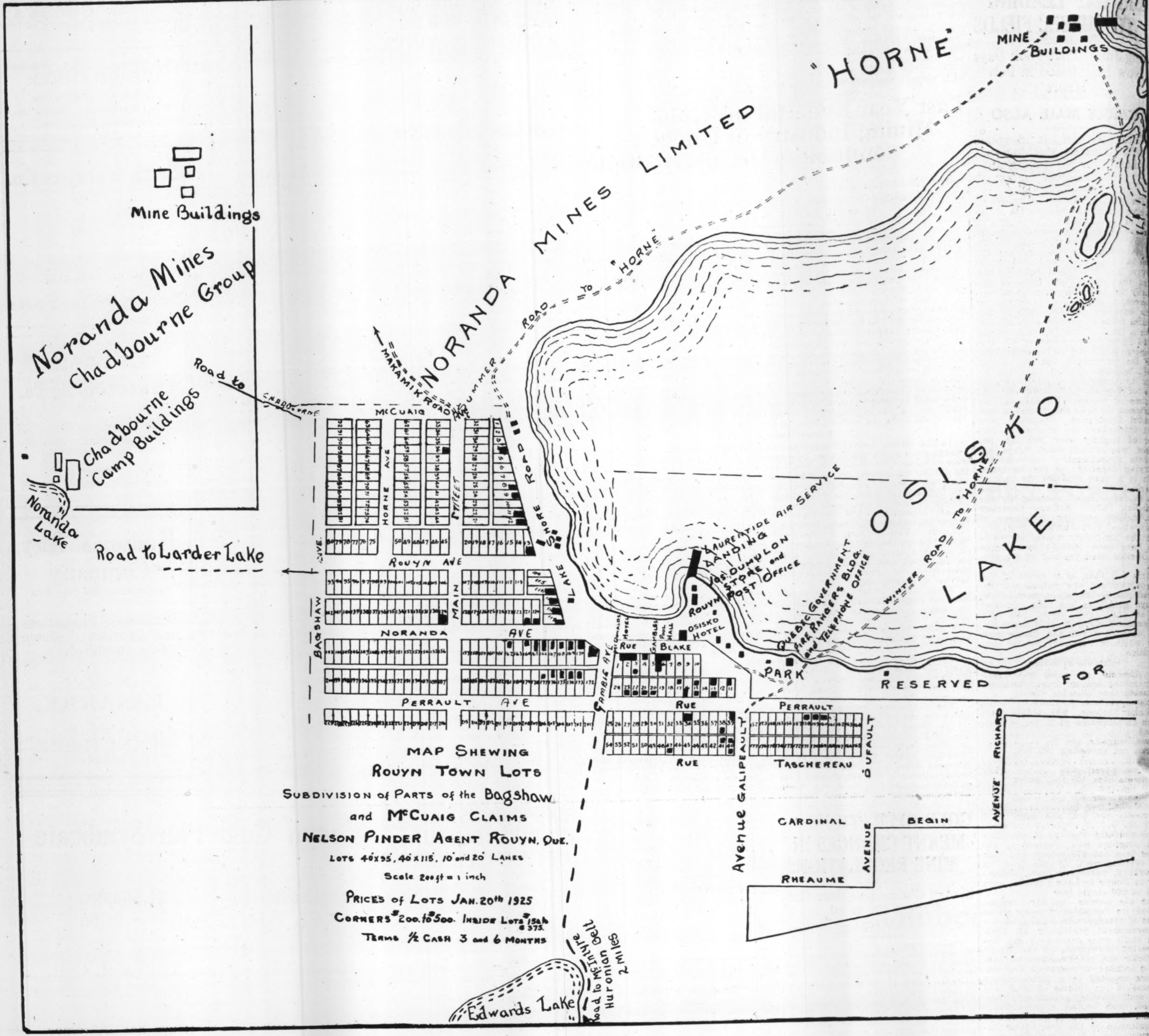
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DUFAULT
AVENUE RICHARD
CARDINAL
BEGIN
AVENUE
RHEAUME
MAP SHEWING
ROUYN TOWN LOTS
SUBDIVISION of PARTS of the Bagshaw
and McCUAIG CLAIMS
NELSON PINDER AGENT ROUYN. QUE.
LOTS 40'x95', 40'x115'. 10' and 20' LANES
Scale 200 ft = 1 inch
PRICES of LOTS JAN. 20th 1925
CORNERS $200. to $500. INSIDE LOTS $150 to $375.
TERMS ½ CASH 3 and 6 MONTHS
Edwards Lake
Road to McIntyre Huronian Belt 2 miles

# Rouyn City Town Lots

## These Lots are selling very fast and are a first-class speculation.

WE HAVE assurance from the Railway Officials that they will give us station accommodation close enough that the town as it is now situated will not be affected adversely.

It is not necessary to strain your imagination to see a town of 3,500 people here before the end of the year, and a duplication of the Town of Timmins in the next five years. Those familiar with similar conditions in new camps of past years will realize that this is more than likely to take place. To-day "real estate" in Timmins has replaced the "Town lots" of ten years ago and inside property is selling at city prices, representing a profit of several hundred per cent. — and in cases much more — to original purchasers.

The Townsite is so situated as to serve both the directly adjoining Horne and Chadbourne properties to the north, as well as the properties in the sedimentary belt lying two miles to the south and south-west. Level and with considerable overburden, sewage and waterworks installation will, when the time comes, be easily installed.

Rarely, if ever, has there been a new town started off with such splendid prospects. We are located on one of the prettiest lakes in Northern Canada. Adjoining one of the largest gold-copper discoveries (The Horne) made in years, free milling gold properties are on every side of us; two railways about to reach us; no other town within 40 miles. It is impossible to estimate the amount of business that will be done in Rouyn City in the next few years. Personally I think lots will go to ten times their present value.

At present there are 11 lots at $150, 24 at $175, 96 at $200, 58 at $250, 167 at $300, 12 at $350, 19 at $400. Prices subject to change without notice. If you desire to buy a lot without coming to Rouyn, simply send me a bank draft, post office order or a marked cheque for one-half of the price of the lot you wish to buy, and I feel satisfied I will select you as good a lot as you could if you were on the ground yourself.

**NELSON PINDER, *Townsite Agent*, Rouyn, Quebec**

# CANADA'S TRADE IN MINERALS HAS ADVERSE BALANCE

### Metallic Exports Are Much Above Imports — Others Down

## BUY HEAVY IN U.S.

### Products of Mines and Minerals Have Large Place in Trade

Canada continues a heavy debtor nation in her trade in the products of mine and minerals. In non-ferrous metals and products, there is a favorable trade balance of $18,816,000 for six months ending Sept. 30, and $22,478,000 for the fiscal year ending March 31, last. In the other two groups, however, non-metallics and products and iron and its products, *this is wiped out* many times over, *and a huge deficit* set up in its place. An analysis of the mineral trade for the last fiscal year shows Canada had an unfavorable balance with these groups of $213,143,000. That these groups alone were responsible for Canada's trade position with the U. S. when the dollar was at a discount is shown by the fact that there was a favorable balance in trade on products other than minerals of $83,205,000, while the unfavorable balance in products of mineral origin was $263,785,000, leaving a deficit in United States trade of $180,579,000.

An analysis of the huge tables below, supplied by F. F. C. Lynch, director of Natural Resources Intelligence Dept., Ottawa, will show just what items make up this deficit. It will be notel that non-metallics and products are responsible for the heaviest loss, the figures being:

| | |
|---|---|
| Imports | $155,900,393 |
| Exports | 26,776,330 |
| Deficit | 129,124,063 |

Two products, fuel and oil, which have been considerably talked of lately, make up in their various forms the bulk of this. Fuel totals $95,252,702, petroleum, gasoline, oils, etc., $32,064,294, or a total for the two classes of $127,316,996. Until Canada solves her own fuel problem, and until her own oil fields are developed, these conditions will continue. For the other items, however, there is not the same excuse. This is especially true of glass, brick and tiles, with Canadian producers of these products running on reduced time, and some of them closed altogether. Of the other items, not one cannot be supplied in the Dominion.

The solution of the iron ore problem lies at the bottom of the unfavorable balance in iron and steel products. Not only is Canada buying these products heavily from the United States, but it will also be noted that the year's imports of iron ore total $5,437,000. Automobile trade appears in this item, but the exports are just a little above the imports of cars, parts, etc. It is noted that the bulk of our buying is in the United States, and the bulk of sales within the empire. The totals follow:

| | |
|---|---|
| Imports | $173,473,352 |
| Exports | 66,975,571 |
| Deficit | 106,497,781 |

Canada's growing precious and base metal production gives a favorable balance for the smallest of the three groups, as seen by he figures:

| | |
|---|---|
| Exports | $65,911,171 |
| Imports | 43,432,617 |
| Surplus | 22,478,554 |

This total should be larger, however. Offsetting part of the exports are imports of finished products of the very things that are being exported. The solution, of course, is that they should be made in Canada. The figures:

Six Months Ending Sept. 30, 1924:

**IRON AND ITS PRODUCTS**

| EXPORTS | | IMPORTS | |
|---|---|---|---|
| To | Value | From | Value |
| United Kingdom | $ 3,607,733 | United Kingdom | $ 9,648,645 |
| Other British Empire | 12,206,960 | Other British Empire | 202,539 |
| Total British Empire | $15,814,693 | Total British Empire | $ 9,851,184 |
| United States | 2,247,285 | United States | 60,281,773 |
| Other foreign countries | 8,643,902 | Other foreign Countries | 1,649,784 |
| Total | $26,705,880 | Total | $71,782,741 |

**NON-FERROUS METALS AND THEIR PRODUCTS**

| To | Value | From | Value |
|---|---|---|---|
| United Kingdom | $ 6,492,700 | United Kingdom | $ 2,039,427 |
| Other British Empire | 1,138,757 | Other British Empire | 219,831 |
| Total British Empire | $ 7,631,457 | Total British Empire | $ 2,259,258 |
| United States | 24,168,050 | United States | 15,695,494 |
| Other foreign countries | 6,458,402 | Other foreign countries | 1,486,974 |
| Total | $38,257,909 | Total | $19,441,726 |

**NON-METALLIC MINERALS AND THEIR PRODUCTS**
(Except Chemicals)

| To | Value | From | Value |
|---|---|---|---|
| United Kingdom | 477,863 | United Kingdom | $ 5,022,308 |
| Other British Empire | 1,414,381 | Other British Empire | 145.996 |
| Total British Empire | $ 1,892,244 | Total British Empire | $ 5,168,304 |
| United States | 5,904,663 | United States | 57,537,071 |
| Other foreign countries | 1,681,394 | Other foreign countries | 4,986,909 |
| Total | $ 9,478,301 | Total | $67,692,284 |

# Looks Upon 1925 as Important Year for Canadian Mining

A very comprehensive and optimistic review of Canadian mining possibilities for the year was recently published in "Canada," a British publication. It said:

"There are good grounds for anticipating many important developments in the various Canadian mining districts during 1925, which should have the effect of very substantially broadening the interest among mining investors in Great Britain.

"We may expect that as a result of recent amalgamations of attractive properties in the Porcupine district, some more proved mines will result; and in any event it is safe to forecast very substantial increases in the weekly tonnage output before the year closes from the mines now producing. Kirkland Lake is likely to give a very good account of itself, judging by present indications; and several of these mines, before a twelve-month is past, will have established larger and more valuable ore reserves from the exploration now proceeding toward deeper levels. There are three or four gold districts in Northern Ontario, at present in the development stage, which are expected to cross the Rubicon and establish mines within the year.

"Silver mining in South Lorrain will certainly increase its present monthly output, but much more important results are looked for as a result of the developments now actively going on, and more discoveries of bonanza silver ore will not surprise those who have been following the history of that camp. Gowganda also may be expected to grow in importance as a silver producer.

"There are, especially in Western Ontario, a number of old mining properties now receiving attention from skilled geologists, and some of these at least may be expected to become important producers.

"In the new gold fields of Quebec very interesting developments may be anticipated; but the more important may not be fully known until the autumn. Some of the best geological and mining experience is engaged in that promising field, and other treasure houses as well stocked as the most famous of the Noranda claims may be disclosed.

"In Northern Manitoba the result of another year's work will more definitely prove the value of the pre-Cambrian Belt in that province. There is much attractive ground now being explored, and there are good geological reasons for anticipating the opening up of many commercial ore bodies.

"In British Columbia there will be a gold rush to the Dease Lake area in the spring which, whatever its result, will lead to considerable prospecting in that northern district. The results of the gold dredging operations at Antler Creek will be watched with keen interest, as successful results will lead to the employment of this form of gold mining in other parts of the Cariboo. Further south there are several properties in the Salmon Arm district which will largely increase their shipments of high-grade ore to the smelters. The B. C. Silver Mines, in which the shareholders of Selukwe are substantially interested, may yet prove as valuable as its spectacular neighbor. The mines in the Kootenays—many of them old properties now being scientifically developed—will certainly be heard of, and there are many indications of increased mining activity throughout Southern British Columbia."

# MERGER MAY CURE ILLS OF QUEBEC'S ASBESTOS INDUSTRY

### Cheap Labor Enables Rhodesian Mines to Undersell Quebec Product

Quebec's asbestos industry suffers from keen competition of Rhodesian mines. The latter have the advantage of cheap labor, and is placing large quantities of the long fibre or crude asbestos on the market. There is a feeling also that unnecessary competition detrimental to the best interests of the industry exists among the companies carrying on mining and milling operations in Quebec, and, in this connection, Dillon Reed Co., New York, have been negotiating for a merger of all of the asbestos-producing companies within the province. This merger, though still uncompleted, will probably be effected. In this event, the cut-throat competition and unstable working conditions that have heretofore characterized the industry will be eliminated, the product produced at an equitable and profitable figure, and the employment of workers placed on a basis of stability.

## Copper Furnaces Are Being Prepared For Operations

TRAIL, B.C.—Copper furnaces of Trail smelter, idle for the past two or three years, except for infrequent runs on concentrates from Rossland, are being overhauled, and put in shape for operation. The improvement in the copper market is stated to be behind the furbishing up of the copper smelter, the object being to be ready for eventualities, which, conceivably, might include resumed operation of the Canada Copper Co. at Copper Mountain.

## TEST WAINWRIGHT OIL

According to a statement made by the British Petroleums, Ltd., Edmonton, that company has shipped a car of oil from its well at Wainwright, to the Canadian National Railway for purposes of testing as a fuel oil for railway locomotives.

# GAMBLE BROS. ARE ACTIVE IN QUEBEC

### Have Handled Many Important Deals and Have Large Acreage Left

Gamble Bros., Ottawa, who perhaps staked more acreage in the new Quebec field than many others, and who disposed of several large parcels to different interests, have halted the sale of their property and laid out a new plan of action. They have now formed a syndicate and will interest others to take shares. The funds thus provided will be employed to do considerable work on the various claims with the idea of placing them in a better shape, so that when showings of importance are discovered, they can be either disposed of to much greater advantage or a separate company formed on them and their development undertaken. It is understood that the holdings of the four brothers are still well over 5,000 acres.

Gamble Brothers have entered into many other mining deals involving properties all over the township, some of which are the following: Hollinger, two groups; Don Rouyn Gold Mines, three groups; Central Rouyn Syndicate; Pelletier Rouyn Gold Mines; Rouyn Quebec Gold Mines; Bathurst Rouyn; Universal California Syndicate; Rouyn Central Gold Mines; London Rouyn; Gamble Rouyn; McIntyre Porcupine Gold Mines. These properties they sold to brokers or mining companies. They now propose to deal direct with the public. By this plan the properties are syndicated, memberships in small units sold to the investor, thus enabling them to get in on the ground floor and participate in the larger profits. This plan also facilitates the raising of sufficient money for the development of properties to show their real worth and when this worth is demonstrated is time enough for the large capitalization.

It is this syndicate plan that the Hon. Charles McCrea so whole-heartedly endorsed in an article last September.

# TIE-UP OF COAL MINES IN N.S. NOW MATTER OF DAYS

### Premier Armstrong's Proposals Certain to be Rejected by Union

**From Our Own Correspondent.**

SYDNEY.—Unless heroic measures of some kind intervene, it is difficult to see how a strike in the Nova Scotia coal fields can be delayed more than a few days longer. And in well-informed circles such intervention is not expected. Although, officially, the company and miners are still "considering," the proposals for settlement forwarded Tuesday by Premier Armstrong, THE FINANCIAL POST learns on excellent authority that the decisions of both have already been taken.

The company will accept. The miners will decline. The men's principal objection is to the compulsory arbitration feature of the Armstrong plan—the undertaking to abide by the decision of the Royal Commission which the premier proposes to name to probe the whole coal situation in the province and to advise upon an equal wage rate to end the dispute which has been in progress since last November. Other objection are that the miners are not satisfied with the method of appointing the commission and the suggested length of contract.

The issue may be evaded for a few days while the men put their ideas in shape for transmission to Halifax, but when that has been done events will move radidly, and it is hard to see how a strike can be averted, unless the Armstrong proposals are further modified to give the miners some latitude in the choice of members of the commission and to eliminate the compulsory arbitration feature.

### No Further Concessions

Such amendment is thought to be unlikely, as it is considered here that both the government and company have already made much greater concessions than might have been expected under prevailing conditions.

The miners face a strike under more straightened circumstances than ever before. The statement was recently made by Glace Bay clergymen that miners' children in that town are already reduced to old potato bags for clothing and quilts made of the same material for bed covering.

U. M. W. strike relief consists merely of food ration and a small cash dole when necessary for the purchase of clothing, medicine, etc. By buying supplies in bulk, the union is able to feed its dependents as a cost of about 64 cents a week for each person. And this succor, such as it is, will be available only after the first 30 days of the strike.

The violent strike of 1922 lasted 15 days, that of 1923 three weeks, 1924 five weeks. This explains why many of the miners consider it advantageous to risk military interference and loss of the U. M. W. strike allowance by taking out the pump and maintenance men and forcing the issue in a short, sharp strike. Communist newspapers are continually urging them to do this.

## HALT SILVER BULLION

Silver Bullion mines has halted operations. Presumably new funds are required.

# CONSUMER DID NOT BENIFIT MUCH BY THE RATE REDUCTION

(Continued from page 1)

27 cents lower. In the case of Edmonton, there was a reduction in price from $5.95 to $5, between June 30 and July 15, but that this was not due to the Crow's Nest rates is evident from the fact that they are the same as ordinary rates in this case.

Building paper.—In this case the computations have been based on a roll of paper weighing 25 pounds, and taking the freight rates from Fort William, westward, to the points in question: The price at Winnipeg at June 30 including freight was $1.20 and on July 15 it was 95 cents. At Regina on June 30 the price, including freight, was $1.10. There was no reduction in the Regina price during the period in question, though the Crow's Nest charge over Winnipeg was 3 cents lower than the ordinary.

In the case of Calgary the price of this particular kind of building paper, which at June 30 was $1.40, including freight, remained unchanged until July 30, when it dropped to $1.35; but by September 30 there was a return again to $1.40, this despite the fact that the Crow's Nest charge over Winnipeg was 7½ cents below the ordinary.

Edmonton supplies a striking example of the fact that freight rates do not always determine the prices of goods. At June 30 on this building paper the price including freight was $1.15. Though in this case the Crow's Nest rate is only one-half cent lower than the ordinary, it is found that the price of building paper dropped to $1 by July 15. At this price it was only 5 cents per roll over the Winnipeg price, though the difference in the freight cost between the two cities was 21 cents.

### Common Plows

Common plows.—Here the computation of freight cost is based on a 12 inch walking plow, weight 135 pounds, and taking freight rates from Fort William westward:

At Winnipeg at June 30 the price including freight was $26.63, at which it remained unchanged during the period in question. At Regina there was no reduction in the price after the return of the Crow's Nest rates, and that notwithstanding that the Crow rates are 13 cents below the ordinary. At Regina the price was also 75 cents higher than the Winnipeg price, while the Crow's Nest rate is only 36 cents higher and the ordinary rate but 49 cents higher. At Calgary there was no reduction in the price of these plows after the Crow rate came into effect. Here the price was $1.50 higher than at Winnipeg though the Crow rate was only 74 cents higher over Winnipeg and the ordinary rate but $1.08 higher. Nor at Edmonton did the Crow rate make any difference to the price.

### Nails

Nails.—In this case the computations are based on a keg of 2¼ inch wire nails, weight 107 pounds, with the freight rates from Fort William westward:

At Winnipeg on June 30 the price was $5.20, and by July 15 there had been a reduction to $5.05, but this was equal to double the difference in freight cost following the return of the Crow's Nest rates. At $5.05 the price remained constant until after the Crow rates went out on October 27, when there was a further reduction in price to $4.85, after the rate went up.

In Regina the price dropped from $5.55 at June 30 to $5.40 by July 15; but just before the Crow rate went out there was a further drop to $5.25. On Oct. 30 these nails were 40 cents higher in price at Regina than in Winnipeg, though the Crow rate was only 31 cents higher. On Nov. 30 they sold for 5 cents less than at Oct. 30, when the rate was the same.

At Calgary these nails, which cost $6 at June 30, before the Crow rates went into effect, continued at the same price until after the rates came back, when they dropped to $5.90. In this case the price was 95 cents higher than in Winnipeg, while the Crow rate over Winnipeg was only 60 cents higher. When the old rates came back at the end of October these nails for a time were $1.15 higher than in Winnipeg, though the freight charge was only 92 cents higher.

Spikes.—The computation in this case was based on a keg of 4 inch spikes, weighing 107 pounds, taking the freight rates from Fort William west:

At Winnipeg on June 30, the price was $4.95, but by July 15 there was a reduction to $4.80, though this was over twice the reduction effected by the Crow rate. After the Crow rate went out at the end of October there was a further reduction of 20 cents a keg to $4.60.

At Regina, though the Crow freight was 13 cents below the ordinary over Winnipeg the price of these spikes remained unchanged until after the Crow rate went out, when they dropped from $5.15 to $4.95. Though the Crow freight cost was only 31 cents over Winnipeg, still while it was in effect the price of spikes in Regina, while the Crow rate was in effect, was 35 cents a keg higher than in Winnipeg, or 15 cents higher than before they came in.

At Calgary the price of these spikes did not fall until after the Crow rates went out, when they dropped from $5.75 to $5.65. When the Crow rates were in effect the difference over the Winnipeg price was 95 cents per keg, whereas the Crow freight cost was only 60 cents higher. At Edmonton the consumer at the end of October was paying $1.10 a keg more for these spikes than in Winnipeg, or 30 cents more than at the end of June, though the freight cost was very nearly the same.

### Window Glass

Window glass.—In this case the computation of freight cost is based on a case of double diamond, 60 united inches, window glass weighing 155 pounds, and taking the freight rates from Fort William west.

At Winnipeg on June 30, the price including freight, was $16.75, and by July 15 there had been a reduction to $15.85, which was materially above the reduction supposed to be effected through the return of the Crow rates. But there was no reduction in the price of this glass after the rates went out.

In Regina the price, which on June 30 was $18.30, remained unchanged until the end of August, when it dropped 90 cents. During the month from July 15 to August 15 the price was $2.45 higher than in Winnipeg, though the Crow rate cost over Winnipeg was only 44 cents higher, or 20 cents below the ordinary. At Calgary there was no drop in price until July 30, when it fell 90 cents, though the drop in rates was only 45 cents. By Sept. 15 there was a further drop of $1.55, though there was no drop in rates, and the price remained unchanged after Oct. 30, even though the Crow rates went out.

Dealing with the situation outlined above, Hardware and Metal this week points out that wholesale prices on practically every line on which rates were reduced declined during the month of July, 1924, and, in many cases, they were not again advanced when the Crow's Nest rates were discarded in October of last year. In the case of a number of articles, the price in the West to-day is the same as it was following these price reductions. According to prices secured by Hardware and Metal, barb wire prices in the West remained unchanged as at June 30 and Nov. 30 last year. Wire nails declined from $4.75 on June 30 to $4.55 on Nov. 30. Glass declined from $10.95 to $10.35 between those dates. Horseshoes were about the only hardware line to advance in November of last year, after the low rates were discarded, so that to-day's prices on many of the hardware lines affected are practically unchanged from the prices in effect between June and November of last year, at which time the Crow's Nest rates were in operation as they are at the present time. To-day's price on glass and nails is the same as at November last year, while barb wire which was $3.75 has now declined to $3.55. Practically no advance took place on the other hardware lines mentioned when the low freight rates were discarded last October, and, therefore, little in the way of decline could be expected when the low rates were again reinstated in January of this year.

## New Capital Quite Active in Various Parts of B.C.

VANCOUVER, B. C.—There has seldom been so much activity in mining investment as at present. British capital is taking an active interest in the mineral industry of the province. American promoters are searching for new properties to handle. An old mine at Nicola has been bonded for $200,000. Portland Canal continues to be a centre of interest. A merger of Dunwell and Glacier mines is reported, with an offer from a large operating company to take them over. Dunwell is a proved mine. The Lead Queen adjoining the Steel Group in East Kootenay, has been bonded to an eastern company. High values are being reported from mines under development. Silver Crest, controlled in Vancouver, reported an assay from recent development in the new tunnel of $8 in gold and $547 in silver per ton. As this return represents development at a depth of 110 feet it indicates increased gold values as well as silver enrichment. Sampling of ore in L. and L. Glacier, at face of No. 2 tunnel, gives values there of 396 ounces silver, besides silver and lead. Such assays indicate bonanzas of exceptionally rich ore.

The Lakeview Mining Company has purchased a compressor and Petter-Vickers oil engine for equipment of that property.

The Golkeish Mine at Anyox reports having struck $10 gold ore.

## NEW AMOS HARDWARE

A large new hardware store has been set up in Amos. The stock is all in but as yet the owner has made no announcement of his plans.

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Pumps. Motors & Generators
Pratt & Cady Valves
Reading Steel Valves
Durabla Packing
Palmetto Packing
Steam Specialties
Pipe & Fittings
Allen Mine Pumps
Machine Tools
Forest Fire Pumps
Transmission Equipment
Graton & Knight
Leather Belting
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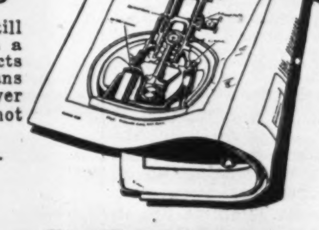

# MUCH BUSINESS IS DEVELOPING IN NORTH QUEBEC

## Mining Not the Only Industry That is Prospering

## FUR SALES GROWING

### Organized Effort Means Much to Trappers Who Are Getting Good Price For Catch

(Staff Correspondence).

SENNETERRE, Que.—The development of Northern Quebec goldfields has focused attention on the possibilities of other business development in this section of the country. Fur trading, pulpwood, power expansion and agriculture, offer a fairly wide field, and three of these are showing quite a material growth. It is only a few years ago that the section was quite barren of settlement. To-day the old Grand Trunk Pacific line is studded with growing settlements that report business of quite a substantial nature.

One evidence of the progress made has been the development of a semi-annual fur sale at this point. Previous to its organization, the trappers used to be "gipped" out of their profits. They got litte or nothing for their skins. The parish priest and the missionary got together and organized a fur sale, and THE FINANCIAL POST representative was present at the last sale. It lasted two days and the trappers received $25,000 for the catch. Besides the local Hudson Bay buyer and Fortin and Frere, another local house, there were representatives from the big markets as well. One young "buck" was seen with $1,000, while a squaw was noticed with $1,500 as a result of sales made. This is money that will not be pulled out of circulation, for the trappers, both Indians and French-Canadians, are free spenders. This is particularly true of the Indian. He or she will not return to the traps until funds are gone and a debt contracted. As long as they have money, work is not attractive. The second sale will be held in June, and previous experience would indicate that the total of this sale should reach $40,000.

Power development promises to be important in the future. It is estimated that there is available 100,000 h.p. that could be put into commercial use at a profit. There is a large amount of excellent pulpwood and this is being steadily taken out by the settlers and sold. When the land is cleared, the area, which is an extension of the claybelt, makes very good agricultural land, and quite a number of good crops have been raised. There is a steady settlement going on all through the district in close proximity to the railway, and indications are that the value of the production from various sources is going to mount steadily.

The crop report on grain, roots, etc., grown in 1924 along the Cochrane division of the C. N. R., between Senneterre, Que., and Hearst, Ont., and also for the estimates of livestock kept in this district follows:

| Station | Pop. of Parish | Grain Bus. | Hay Tons | Roots & Potat. Bus. | Head of Stock |
|---|---|---|---|---|---|
| Senneterre | 800 | 9,500 | 600 | 2,100 | 500 |
| Belcourt | 700 | 7,000 | 2,000 | 4,600 | 340 |
| Barraute | 850 | 10,450 | 1,500 | 4,600 | 390 |
| Landrienne | 600 | 5,625 | 700 | 1,200 | 298 |
| Amos | 3,684 | 15,264 | 14,200 | 20,785 | 2,591 |
| Vilmontel | 650 | 8,300 | 2,000 | 7,500 | 800 |
| O'Brien | 1,000 | 5,150 | 950 | 1,500 | 500 |
| Authier | 500 | 5,600 | 750 | 1,050 | 580 |
| Makamik | 2,500 | 155,050 | 5,000 | 28,500 | 2,100 |
| La Sarre | 3,250 | 178,000 | 10,365 | 30,300 | 2,920 |
| Dupuy | 1,325 | 30,500 | 1,500 | 8,700 | 750 |
| LaReine | 1,475 | 30,700 | 1,300 | 5,500 | 650 |

The grain and root crops do not show up very satisfactorily, owing to the bad weather conditions prevailing during the latter part of the summer and the fall. In regarding these figures it is well to remember that they should be considered in the light of the early development of the Western provinces, with progress and expansion limited only to the extent to which new settlers are coming in, and that the more attention is being paid by the government and the railways to bring in settlers, the quicker the development will advance here.

## Realty Promises To Be Important

Developments in the north, in some of the fast-growing Quebec centres as well as in Ontario, are giving rise to a new speculative feature, other than mining. It is real estate. This is brought to attention by the demand for lots in some of the larger of the Quebec towns along the Transcontinental which are certain to become gateways to the gold fields, and by the rush for lots of the new Rouyn townsite.

In Timmins, real estate has grown to be quite an important matter. It has been eased somewhat by the erection of large numbers of houses by the mines and the setting up of new townsites. However, even with that, building lots at Timmins are in steady demand at rising prices.

Kirkland Lake has been growing rapidly. It has spread out and a large number of excellent bungalow homes were erected there last year. Rather different is Cobalt. There is little freehold land in the city. For the most part, the mines own the ground and rent in for a nominal fee, and the resident builds his own house. There is little danger of this being mined. There have been numerous cases where buildings were erected over high-grade ore. The Coniagas plant which was burned down last year was an instance. Under the burned structure, a high-grade silver vein was opened out. Out on the Lumsden property, Cobalt, a power sub-station was erected on a high-grade vein which was opened up by blasting. The owners did not find this out for some years later.

# Canadian National Will Build Line Down Into Rouyn, Que.

## Sir Henry Thornton Will Seek Approval of Extending Transcontinental Branch Into New Mining Area—Says it Will Pay

The C.N.R. will be the first railway into the goldfields of northwestern Quebec. The official announcement to this effect has been made by Sir Henry Thornton. Officials of the railway are in the district in question preparing for the surveys, etc. It is believed that the spring will see the branch from the Transcontinental built. This means a 45-mile line to Rouyn. It is believed that the T. & N. O. will also build, going in from Larder.

The question of transportation is the foremost one of the day in regard the further development of these fields. This fact is set forth clearly in an article in this issue by Hon. J. E. Perrault, minister of mines of Quebec. The minister points out that there are chances that one of four lines will go into the section. At the time this article was written the C.N.R. was seriously going into the matter. It is believed that a decision has since been reached. The movement in Quebec for the C.N.R. or C.P.R. to go in has been a strong one. They preferred this to the T. & N. O. Railway. Mr. Perrault quite frankly gives the reason for this in his article. The province wants to retain the business that will develop from the mining district for the cities of the province, notably Montreal, rather than have the province of Ontario railway extend in and divert the bulk of the trade to Toronto. Elsewhere in this issue will be found a map which shows the possible railway extensions into the fields.

Dicussing the transportation problem of the Quebec field, W. Goodwin, editor Canadian Mining Journal, recently said:

Though only one mine has been proved as yet at the western end of the Quebec gold belt, it is already of such large proved proportions that the building of a railway to open it up to use is now warranted. Its immediate construction is expedient, for a good deal of the ore now exposed to view in the underground workings could be shipped profitably to existing smelters if railway transportation were available. This will be good for the operating company, as it will provide immediately a source of income; it will be good for the gold-mining area, as it will give a tremendous impetus to the intensive exploration required to make more mines; it will be good for the railways, as any of them can do with the tonnage; and mining exploration throughout the province of Quebec will tend to go forward with a swing, consequent upon the operation of its first big gold mine.

The question now is not whether or not a railway is warranted but by what route that railway shall be built. The Timiskaming and Northern Ontario Railway Commission, with a full realization from their experience in the Ontario mining fields, of what the Quebec gold development means in trade, agricultural development and general industrial activity, were prompt to survey a route to the new camp, thus projecting onward the Larder Lake branch. Meantime, by providing the requisite facilities at their railway terminus, first at Dane and now at Larder Lake, and by improving at their own expense the winter road into Quebec, they have captured the larger part of the winter traffic for their line. If there were no interprovincial boundary, it is more than likely that this enterprise would win the day for the T. & N. O. As it stands, the T. & N. O. Commission will certainly not force their will upon the government at Quebec.

This prompt action on the part of the Ontario railway authorities has evidently provided the stimulus required to get similarly vigorous action from the Quebec public authorities. Up to the present the public provision of transportation facilities, though not unsuited entirely to a mining camp in the first stage of development, has paid as much attention to local politics as to the needs of mining men and prospectors and possibly has unduly lagged behind the results of effort and expenditure made privately on behalf of the camp's progress. Now there is a different story. Premier Taschereau, the Honorable Mr. Perrault and other responsible members of the administration have said publicly that the benefits of Quebec's new gold camp must be preserved for Quebec, the first means to that end being a railway to keep the resulting traffic and trade within the province. This is an entirely worthy object and, if the express determination is implemented promptly and effectively, the mining men in Rouyn will be well satisfied.

Besides opening up the mineral land, officials have their eyes on the clay belt which stretches as far south as Villa Marie, across Lake Temiskaming from Haileybury, Ont. The Transcontinental of the C.N.R. cuts through this belt for 100 miles. The great return which Ontario gets from the mines as a direct result of the T. & N. O. leads to an appreciation of the value of Ontario's line being the first to tap the Quebec field. However, of late interest has lagged. The C.P.R. could push its line along the east side of Lake Temiskaming into Rouyn, 50 miles. Abitibi Southern Railway is also talking of a line, Amos to Mount Laurier. This would be 200 miles long and of costly construction.

The senate would have to approve of the C.N.R. line.

# NORANDA'S PLANS FOR HORNE SOON TO BE ANNOUNCED

(Continued from page 17)

drilling has not been done to permit tonnage and value estimates of other bodies. This will have to await the development of these bodies underground.

The management feels, however, that the great width of ore encountered in preliminary drilling and the already proven extent of these deposits in an area roughly 1,700 x 1,400 feet, with a known depth of 455 feet, leaves no doubt as to the ultimate success of the operation.

Eighty-two feet of driving on the 110-ft. level, No. 1 shaft, for which assays are now available, indicate (a few assays are not yet available) average values of $9.60 in gold and 15.7 per cent. copper for the full width of the drive. The width of this ore body greatly exceeds the width of the drive, but the true width will not be known until further cross-cutting is done.

An important deal in regard to the Noranda was recently concluded whereby the adjoining 600 acres to the east of the Horne was added to Noranda holdings. Pres. Noah Timmins, of Hollinger Consolidated, controlled this group. Details of the transaction have not been made public as yet, but will likely come out at the annual meeting. The Horne proper is just under 600 acres. This will make the Noranda holdings in this section around 1,800 acres. During the year the option on the Powell group, on which Nipissing did considerable work, was dropped. This group totalled 647 acres.

It is the Horne, however, in which Noranda pins its hopes, and it is this property that all Quebec is looking to as having the possibilities of making one of the largest mines in the country.

The log of the drills in the first 110 feet follows:

### CENTRE DEPOSIT

| Bore hole | Length of core feet | Gold dollars | Silver oz. | Copper % | Total value per ton taking the value of silver at 60c. per oz., copper at 13c. per lb. |
|---|---|---|---|---|---|
| A | 14 | 1.60 | not assayed | 13.00 | $35.40 |
| B | 50 | 4.86 | .37 | 1.475 | 8.92 |
| B | 81 | 4.06 | 1.30 | 12.40 | 37.08 |
| C | 25.5 | 8.00 | 1.95 | 20.20 | 61.69 |
| C | 19 | 2.33 | not assayed | 4.39 | 13.74 |
| C | 15 | 1.66 | not assayed | 1.00 | 4.26 |
| D | 28 | 2.37 | not assayed | 16.74 | 46.12 |
| D | 20 | 1.00 | not-assayed | 2.64 | 7.89 |
| D | 32 | 2.18 | not assayed | 1.30 | 5.56 |
| E | 30.5 | 5.00 | not assayed | 11.60 | 35.16 |
| F | 44 | 7.00 | not assayed | 8.00 | 27.80 |
| F | 10 | 5.40 | not assayed | .42 | 6.50 |
| G | 40 | 5.45 | .92 | 6.20 | 22.12 |
| H | 14 | 4.40 | not assayed | 13.80 | 40.28 |
| I | 17 | 1.64 | not assayed | 3.64 | 11.07 |
|  | 440 ft. | Average value of cores |  |  | $26.06 |

### WEST DEPOSIT

| Bore hole | Length of core feet | Gold dollars | Silver oz. | Copper % | Total value per ton taking the value of silver at 60c. per oz., copper at 13c. per lb. |
|---|---|---|---|---|---|
| A | 10 | 3.40 | .35 | .53 | $ 5.12 |
| A | 30 | 3.03 | .23 | .4 | 4.21 |
| B | 9 | 2.70 | .40 | 1.3 | 6.32 |
| C | 28 | 11.09 | .70 | 1.08 | 14.32 |
| D | 7 | 6.70 | .45 | 1.76 | 11.72 |
|  | 440 ft. | Average assay value of cores |  |  | $26.06 |

### EAST DEPOSIT

| Bore hole | Length of core feet | Gold dollars | Silver oz. | Copper % | Total value per ton taking the value of silver at 60c. per oz., copper at 13c. per lb. |
|---|---|---|---|---|---|
| A | 9 | .30 | not assayed | 2.16 | $ 5.89 |
| B | 7 | 1.40 | not assayed | 1.00 | 4.00 |
| C | 5 | .90 | not assayed | 1.88 | 5.78 |
| D | 19 | 21.30 | not assayed | 3.38 | 30.08 |
| E | 30 | 6.50 | not assayed | 4.1 | 17.16 |
| F | 55 | 5.50 | not assayed | 2.77 | 12.70 |
| G | 43 | 8.50 | not assayed | 2.32 | 14.50 |
|  | 168 ft. | Average assay value of cores |  |  | $15.00 |

These bore holes were driven at angles from the horizontal ranging from 35 degrees to 60 degrees.

From a careful study of these results, tonnage and grades of ore indicated are estimated as follows:

x—Gross value of ore taking silver at 60c. per oz., copper at 13c. per lb.

|  | Tonnage | Per ton | xTotal |
|---|---|---|---|
| Centre dep. | 225,000 | $25.00 | $5,625,000 |
| West dep. | 42,000 | 8.50 | 357,000 |
| East dep. | 108,000 | 15.00 | 1,620,000 |
|  | 375,000 | $20.27 | $7,602,000 |

These figures are based on an average vertical depth for the deposits of 120 feet.

While several holes encountered diabase at 200 foot depths where ore was expected—other holes encountered good ore at 150 and 160 feet in depth. In the deepest hole, driven at an angle of 35 degrees, the core from 361 to 422 feet, representing a vertical depth of 205 feet to 230 feet, was mineralized and showed several sections of good grade ore.

# QUEBEC-ONTARIO LEVEL WILL AID IN PR. DEVELOPMENT

## Northern Part of Two Provinces Marked by Longest Line Known

The recent completion by the Goedetic Survey of Canada of a line of precise levels 1,252 miles in length, extending across northern Ontario and Quebec, constitutes what is probably a world's record, in that the levelling, from end to end of the line, was carried out by the same person, G. E. B. Sinclair, a geodetic engineer on the staff of this Survey. So far as is known this is the longest continuous line of precise levels ever run by one person.

Precise levelling is the carrying of mean sea level datum to the interior of a country, that is the determination of the exact height above sea level by means of a precise levelling instrument. Mean sea level is determined by means of gauges maintained by the Tidal and Current Survey, Department of Marine and Fisheries, on the Pacific and Atlantic coasts. From the sea-coast the levelling engineer with his spirit level incorporated in a modern instrument called a precise level, works inland by means of a myraid of consecutive sighting stations, determining as he goes along just how far above sea level each new station is.

Starting in the spring of 1920 at the intersection of the Canadian Pacific and Canadian National railways' main line near Rennie, Manitoba, some 70 miles east of Winnipeg, the levels followed the latter railway's transcontinental line through Sioux Lookout and Cochrane, Ontario, and La Tuque, Quebec, to the village of Hervey, whence a branch line of the same railway was followed to Grand Mere. From this point to Three Rivers the tracks of the C.P.R. were used and at Three Rivers the line was closed on bench-marks established some years previously.

When it is realized that the whole distance of 1,252 miles was levelled, in sections, both in the forward direction—from west to east—and also in the reverse direction, some idea will be gained of the magnitude of the task performed by the precise levelling party. Assuming an average of nine set-ups of the precise level instrument to the mile, this operation was repeated more than 22,500 times in the course of the work, not taking into account that some seven per cent. of the sections had to be re-run by reason of the agreement between the forward and backward levelling not being within the prescribed limits of accuracy on the first trial.

In each of the five field seasons from 1920 to 1924, inclusive, the line of levels was pushed ahead, the average period spent by the party in the field being four months per season. These comparatively short seasons were due in part to the somewhat severe climatic conditions obtaining in that part of the country, which render it difficult for a party engaged in precise work of this nature to carry on operations with full efficiency either in the early spring or late fall.

In the course of the levelling 577 permanent bench-marks were established, at an average distance apart of slightly less than 2¼ miles. These were of the standard pattern of Geodetic Survey of Canada—consisting of copper bolts set in culverts, bridge abutments, rock exposures, etc., and in special concrete monuments constructed at suitable intervals along the railway right of way. At the crossings of all the rivers and more important streams one or more bench-marks were established, in the longer bridges a bench-mark being placed, as a rule, at each shore. These will prove of special value to engineers making investigations for water-power developments, etc.

Descriptions and provisional elevations of all the bench-marks are available upon application to the Director of the Geodetic Survey. The absolute elevations above mean sea level will not be fixed with finality until such time as the general level net of Canada is of sufficient strength to warrant an adjustment which may be held without change for an indefinite period. It may be stated, however, that the provisional elevations now available will probably not be altered by more than a fraction of a foot, and in any event the relative elevations of the adjacent bench-marks along any particular portion of the line will be practically unaffected.

# STRONG INTERESTS IN BOURLAMAQUE; FINDS IMPORTANT

## Anaconda Copper and South African Interests Are Said to be Active

From Our Own Correspondent

MONTREAL.—It is just over a year since Robert C. Clark made the first discovery of high-grade gold ore in Bourlamaque township. This was made about three miles east of the Stabell properties in Duboisson township. In the intervening time, much work has been done in the area. Representing the owners of the Anaconda Mines, the Charles Bob syndicate have already a program which calls for the expenditure of $250,000 in this township. The William A. Reid syndicate will spend a similar amount. This syndicate is said to be close to Soly Joel, president of the De Beers diamond mines in South Africa. A most interesting property is Clark-Bourlamaque, which, under the aegis of J. A. Jacobs, of Asbestos Mines, are now offering stock to the public. The other properties in the immediate vicinity are closed corporations, in fact practically all the properties in the vicinity were staked or acquired by Robert C. Clark and Robert W. Norrington, who were able to obtain sufficient private capital to work the properties as private undertakings. This property, the Clark-Bourlamaque, therefore, is of more immediate interest to the investor.

The company have done surface work on their holdings, which total 680 acres. Of a capitalization of 5,000,000 shares, 2,500,000 remain in the treasury.

In the meantime, at the properties, some surface work is being done, and a camp is being built. The program of preliminary development calls for trenching and test pits, followed by diamond drilling. It is understood that those back of the company, both directors and shareholders, are strong financially. Several strong quartz veins have been discovered and carry gold values, and on one of the claims a deposit of copper and gold over a width of 50 feet was discovered last autumn.

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A HANDBOOK OF INFORMATION

Why YOU Should Purchase a Canadian Government Annuity

Because in old age it will free you from the dread of poverty or of becoming a burden upon others;

Because it will bring you comfort and independence in your later years;

BECAUSE IT WILL GIVE YOU A LARGER RETURN FOR THE AMOUNT INVESTED THAN ANY OTHER LIFE INVESTMENT OF EQUAL SECURITY.

For example, if a man of 20 will pay to the Dominion Government the sum of $5.31 a month until he is 60, the Government will agree to pay to him from 60 as long as he lives $50 a month—a return equal to over 23½% on the total amount paid.

If he dies before 60, every dollar that he paid in, with 4% compound interest, would be returnable to his heirs. If he should die between 59 and 60, the amount so returnable in a cash sum would be $6,230.00.

Such an Annuity may be of any amount from $50 to $5,000 a year, the cost being relatively the same. It is non-forfeitable, cannot be seized for debt, and is free from Dominion Income Tax. For full particulars fill out this Coupon and address it as directed.

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Please send me the "Handbook of Information" and full particulars as to cost of a Canadian Government Annuity. My age last birthday was ........ years.

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(State whether Mr., Mrs., or Miss)

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................................................

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And for less money, too—that's the remarkable thing. We will show you a definite saving on your food bill. Because we are buying for a large number of camps, we can buy the best food at the lowest prices.

Let better food make better men do better work. Write for the booklet which describes Crawley & McCracken service in detail.

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"We feed your men"

### O'BRIEN IN CADILLAC

O'Brien interests are developing energetically the original find of their field man, Austin Dermond, in Cadillac. E. J. Thompson, acting for Toronto interests, constructed a set of camps on the claims staked by himself immediately west of O'Brien holdings, and intends to do a considerable amount of work on the claims during the coming summer.

# EIGHT ARGUMENTS AGAINST TARIFF AT FLAT DUTIES

## Does Not Take Into Consideration Factors of Selling Cost, etc.

*Articles have already been published setting forth the scheme of Frank P. Jones, president of the Canada Cement Company, for a flat rate of duty on all articles imported and outlining the arguments against the scheme, as they are seen by a leading Canadian manufacturer. A further summary of his chief eight points is given here.*

There are numerous arguments which apply in a more or less degree in support of the statement that the adoption of a flat rate of duty on all commodities would result in unintelligent and unworkable tariff schedule, and also in proof of the fact that higher rates of duty are required on finished products than those applying to raw materials.

(1) The expense of marketing the finished product is much higher proportionate to its value than is the relative cost of selling the raw material. A higher rate of duty is required on the finished product in order to provide for its greater cost of marketing, involving a more intensive sales effort, also higher rates of freight, covering delivery, and equalization on sales of finished product, as well as to provide, for instance, for margins for the jobbing trade in connection with lines of goods distributed through such channels. On the other hand, raw materials are sold direct, move at lower rates of freight, and are marketed in substantially larger quantities.

### Have Unequal Effect

(2) A flat rate would have an unequal effect as applying to goods where the relative proportion of labor and material involved in the cost showed a wide variation. It is conceivable that the theory might apply reasonably well to goods where the labor was high in proportion to the value, but if, on the other hand, the value of material is high in relation to the labor, the theory that protection was needed on the labor only would restrict scope of operations undoubtedly. In trades such as the rubber industry, with high unit costs of raw materials, it would prove a very serious handicap, restricting the travel of finished goods decidedly. In any business of this kind engaged in export trade, a high duty on raw materials would prove a serious embarrassment in tying up funds on which no interest would be collectable, increasing cost of goods and cost of doing business. It would also be conducive to fraud in respect to claims for drawback, and also where high cost, non-bulky materials, were involved, a high rate of duty would encourage smuggling.

(3) The rapidity of turnover compared with conditions in the United States is not considered in any such plan.

### Must Consider Territory

(4) Such a plan does not take into account the necessity in Canada of doing business over a wide territory. An equality in duties on raw materials and finished products is affected by the unequal travel and, therefore, freight cost involved in the sale of the respective goods. It might be necessary for the raw material to travel only a short distance, but it would be difficult for finished materials to travel far from point of production. If all business was carried on within a circumscribed area, the plan would have much greater prospects of success than if applied to a widespread area where competition made itself felt from different points. A high relative duty on raw materials must inevitably reduce the breadth of market for finished product, particularly with goods where freight cost is high proportionate to sales value. Such a plan does not take into account the fact that business in Canada is accustomed to draw trade from a wider territory than is the case in the more densely settled areas of the United States.

(5) A uniform rate of duty would make it impossible for the manufacturer in Canada to compete in connection with the production of any lines which for any particular reason might be placed on the free list. We know there are certain particular needs which any government would consider with a special regard for the interests of some section of the country, or some class of the community. If there should be any special need considered worthy of being placed on the free list, the handicap of 25 per cent. on raw material would make it impossible; whereas, if the essential raw materials were free, the goods might possibly be produced in this country. Of course, it is clear that, if any exemption is made to the so-called uniform flat rate, the whole scheme is unset.

### The Preference Feature

(6) From another standpoint, a uniform rate of duty applying to raw and finished materials would have a different bearing as affecting goods subject to the preference. For instance, to have a full duty on raw cotton, and compete with finished products under the preference at a lower rate of duty, would create a most difficult situation. Similar unequal conditions would be created by the preference where prices of raw materials were surrounded by a different set of conditions than those affecting the finished goods.

(7) A flat rate of duty has some theoretical support, but all trade arrangements, and such matters as tariffs, should have particular and intelligent consideration. Trade should be encouraged or discouraged in accordance with home conditions, and the objects and purposes to be served in the interest of the country, just as dealings between firms and individuals would be calculated to have regard to their abilities and resources, and what particular steps should be taken to encourage growth in any line of endeavor as compared with another.

The formation of our tariff should first have regard to our internal conditions; secondly, Empire conditions; thirdly, the development of trade in particular liens, and fourthly, the considerations from the standpoint of revenue as applying to those goods which we would have to import as distinct from those goods the importation of which we do not wish to encourage. All of these considerations require the individual consideration of particular classes and branches of trade. One of the strongest arguments against the British preference has been that it involved a flat reduction, uniform throughout the tariff as effecting a percentage of reduction uniformly, without regard to the rate of duty on a particular line. For example, if the British preference is established at 33-1/3 to 40 per cent. reduction from general tariff, this same percentage applied whether the duty was 30 per cent. or whether the duty was 15 per cent. It might be possible for trade to withstand the reduction as applying to the duty of 30 per cent., but it might mean death when applied to goods protected by a rate of 15 per cent.

### Why Preference Is Uneven

Not only has the preference been uniformly applied without consideration as to whether a particular line was adequately or inadequately protected, but also without considering whether importations should or should not be encouraged in particular classes of trade. Any other country coming to trade with Canada considers these preferential trade matters as being calculated to benefit particular lines of trade which they wish to encourage, and similarly Canadian trade agreements should be based upon whether we wish to encourage, or do not wish to encourage, importations of certain goods.

(8) A high duty on raw materials which must be imported and which may be used in a manufacturing process involving heavy scrap or wastage losses might create an average cost of duty per finished unit, which would be very high compared with the import duty on the finished article. The duty being paid on the heavy scrap or wastage loss, it will be seen that a competing manufacturer outside the country, who is not forced to pay such duty on his raw material, would have a big advantage over a manufacturer paying the same rate of duty on raw materials as the tariff rate on the finished article.

# TIRE INDUSTRY IN CANADA HAS VERY GOOD YEAR IN 1924

## Exports Show Healthy Increase While Imports Fell Away Off

Canada's exports of rubber goods show an increase for 1924 while imports decreased, according to E. B. Ryckman, K.C., M.P., recently elected president of Dunlop Tire. He points out that imports of pneumatic tires fell off 33 1/3 per cent., while exports of this line reached the significant sum of $6,300,796. He says that a survey of the industry shows it splendidly equipped in up-to-date factories and plant to supply the domestic and large foreign demand. He added:

"The gratifying conclusion, which I know to be a fact, is that Canadian-made tires are certainly equal to the best production of the world. It has been claimed upon the floor of parliament that we in Canada should not engage in the manufacture of raw materials none of which are produced in Canada, but come (as in our case) from the Malay States, Egypt and other ends of the earth. This industry gives the answer: it is obviously a great national benefit to have this large sum of nearly six and a half million stranger dollars spent annually in Canada, a large proportion of which goes to Canadian workmen. The figures for 1923 were about six million dollars, and I would expect a healthy increase to be maintained during the coming year. I think it follows, a fortiori, that where the raw materials for manufacture are produced in Canada we should see to it, for our own benefit, that, so far as possible, they are fabricated here.

"The tire industry is allied to the motor vehicle industry, and is in a measure dependent upon the latter's growth, healthiness and prospects, with this difference and better fortune, that if fewer new cars are purchased in any season the old cars must run a little longer, which may slow down the sale of cars, but the tire wear continues just the same, requiring replacements. To-day the general feeling is that the prospects of the great automobile industry are improved and improving, and that we may confidently look forward to better business in 1925. The Dunlop Tire & Rubber Goods Company has already larger bookings of advance orders than at the corresponding period a year ago.

"I am glad to say that I think this is general with the larger manufacturers of tires, and means more labor employed, more money spent in the industry, and therefore a substantial contribution to the commercial welfare of Canada. Apart from the business in tires, the trade in mechanical rubber goods is allied with nearly every other industry in Canada, and prosperity in any one branch finds a gratifying reflection in our business, and if the Canadian business world is given to feel that it can enter the new year and go forward under stable conditions I am satisfied that the rubber industry in all its branches will enjoy a period of prosperity and make its adequate contribution to the country's welfare."

### NEW FARMERS FOR QUEBEC

SHERBROOKE.—According to the annual report of the Eastern Townships Immigration Society, in all a total of 790 men have been placed on farms throughout this district during the year. Of this number 471 were brought here from Europe, of which number 177 came from Ireland, 99 from England and 23 from Scotland.

# TO REDUCE TAX LEVY ON CAPITAL AND BUSINESS

(Continued from page 1)

confiscated, and in triplicate duties the whole asset may be not sufficient to pay the tax," continuing, "any estate with assets in Manitoba, Saskatchewan, and Alberta, valued at $3,000,000, with even half the estate subject to triplicate duty would, going to class one, pay 99 per cent. of that half; to class two, 109 per cent.; to class three, 131 per cent."

### To Adjust the Levies

Suggestions made by Mr. Fisher were embodied in a resolution which recommended that, as regards all the provinces, a conference of all provincial succession duty authorities to ascertain if an agreement can be reached as to the basic principles of a uniform act based on domicile or situs, and, if so, have the agreement embodied in an inter-provincial treaty and legislation based on that treaty enacted; as regards the Dominion government—request the federal government to leave this field of taxation to the provinces; make the provisions in the Bank Act re transfer offices for stock imperative; as regards Manitoba—the lowering of the rates to a level where the source of revenue would not be destroyed, and which would invite rather than expel capital, and do away with the evils of avoidance and evasion; extend the period for payment to 18 months without interest; make provision for discount for prompt payment, apportion debts; substitute appeal to commissioners for reference to sheriff regarding valuation; exempt charities within the province; extend reciprocal provision by order-in-council to any province that is prepared to reciprocate; do away with discrimination against non-residents; provide exemption where husband and wife die within two years of one another.

### Suggest Income Tax Changes

After analyzing the federal income tax at some length, David Cooper, C. A., in his address on this subject, recommended to this conference that a resolution should be forwarded to the Dominion government, suggesting (1) a reduced scale of taxation more in keeping with the rates now in force in the United States; (2) that assessments be based on a taxpayer's average income for the three years immediately preceding the assessment; (3) the publication in full of all rules or decisions made by the commissioner of taxation as far as they relate to matters affecting a taxpayer; (4) that a deduction be allowed from income covering reasonable sums paid for life insurance; (5) that steps be taken to remove as far as possible the present inequalities in taxes as they affect the business man and the professional man; (6) that the lien imposed by Section 25 of the Act be removed by means of which securities such as chattel mortgages or real estate mortgages based on the real or personal property of the taxpaper has to take second place if the taxpayer's income tax is not paid; (7) that steps be taken to grant to taxpayers an appeal to someone other than the minister or commissioner of taxation, or to a board of appeal, without having to put up any sum as security such as is now required; (8) that a company's normal tax be adjusted so that a dividend in the hands of a shareholder may be exempted from normal tax at the same rate as paid by the company.

Mr. Cooper also suggested that a resolution should be forwarded to the provincial government recommending: (a) that the Iincome Tax Act be amended so as to free from income tax dividehds declared out of profits earned prior to the Act coming into force, and (b) that the Act be amended so as to modify the present difference between the taxes paid by one entitled to an exemption of $1,000, and one entitled to an exemption of $2,000.

The proposals of Mr. Cooper were accepted by the conference, and with only one amendment—that income tax appeals should be made to a judge of the district in which the appellant resides—were proposed as a resolution by T. A. Hunt, K.C., seconded by Peter Wright, and carried.

### Income Rather Than Value

"The ownership of real property has long ceased to be even a rough measure of the citizens' ability to pay taxes, and the situation is aggravated by the present system by which real property is taxed not on a basis of its annual value, but on its capital value," said A. M. Fraser. Eighty-three per cent. of the general expenditure of Winnipeg during 1923, including the provincial government levy, was met by the taxation of real property. Of the total taxation levied, exclusive of local improvement taxes and special assessments, 94 per cent. was imposed on real property owners as such. The result of such a system is two-fold; it leads to vast arrears of taxation, and it leads ultimately to confiscation of property on a large scale," he said.

## An Observant Employee

Along the shores of the St. Lawrence close by Montreal there looms a large sugar refinery. One of the hardest jobs in the plant was unloading freight cars on the siding. One day the general manager received a request from one of the men, through the regular company suggestion system, to have the cars unloaded at another point on the track to make the work easier. The request was granted. The general manager, curious as to the reason, investigated and learned that, owing to a curve in the track at the new location and a consequent banking, the floor of the car had a distinct tilt toward the platform. A handtruck loaded with bags of material would start and run of its own weight, resulting in the unloading of the cars much more rapidly and easily, and at a considerable saving to the company. The idea was a simple, homely one, but it had merit. It came out of the experience of a man on the job. Many a profitable measure undertaken by concerns has been the result of an idea submitted by some observing employee.

THE

# Canadian Hardware and Implement Underwriters

Winnipeg, Man.

**Policy issued by**

**Retail Hardware Mutual Fire Insurance Company**

**MINNEAPOLIS, MINN.**

**Hardware Dealers Mutual Fire Insurance Company**

**STEVENS POINT, WIS.**

**Minnesota Implement Mutual Fire Insurance Company**

**OWATONNA, MINN.**

*Combined Statement of Above Companies as of December 31st, 1924*

| ASSETS | |
|---|---|
| Cash and Investments | $5,969,342.89 |
| Interest Accrued | 82,962.92 |
| Other Assets | 299,192.66 |
| | $6,351,498.47 |

| LIABILITIES | |
|---|---|
| Reserve for Reinsurance | $3,820,366.14 |
| Unpaid Losses | 302,019.99 |
| Other Liabilities | 210,560.06 |
| →Surplus | 2,018,552.28← |
| | $6,351,498.47 |

*Result of Canadian Operations 1924*

| | |
|---|---|
| Premiums Written | $ 544,426.28 |
| Losses Incurred | 209,113.80 |
| Expenses Incurred | 70,943.00 |
| Dividends Paid to Policy Holders | $ 211,674.04 |

Note—Dividends paid in 1924 are on premiums written in 1923, which amounted to $443,865.36.

Operating under Dominion and Provincial Supervision.
On Deposit with Receiver-General of Canada, $315,000.00.
The Surplus of $2,018,552.28 is back of all Policies issued in Canada.

## FIRE INSURANCE

**Endorsed by** { **ONTARIO RETAIL HARDWARE ASSOCIATION**
**CANADIAN JEWELLERS' ASSOCIATION**

**C. L. CLARK, Manager,**
**Confederation Life Bldg., Winnipeg.**

## PROVINCIAL MANAGERS:

**BRITISH COLUMBIA: E. H. HAWKINS,**
**212 Berkeley Block, 990 Bute St., VANCOUVER.**

**ALBERTA: JAMES KELLAS,**
**10826 123rd Street, EDMONTON.**

**SASKATCHEWAN: A. E. ATHEY:**
**2329 Montreal Street, REGINA.**

**MANITOBA: I. E. FAIRCHILD,**
**802 Confederation Life Building, WINNIPEG.**

**ONTARIO: F. A. MARTIN,**
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**QUEBEC: ALFRED BRUNELLE,**
**1046 Van Horne Ave., MONTREAL.**

*A line to your Provincial Manager or the Head Office will bring convincing facts.*

| | |
|---|---|
| Risks in Class A | Dividend 50% |
| Risks in Class B | Dividend 40% |
| Risks in Class C | Dividend 30% |

# The Bell Telephone Company of Canada

## Comparative Statement of Assets and Liabilities

| ASSETS | Dec. 31, 1923 | Dec. 31, 1924 |
|---|---|---|
| Fixed Capital (Including Construction Work in Progress): | | |
| Intangible Capital | $ 76,811.20 | $ 76,811.20 |
| Land and Buildings | 6,582,530.59 | 7,952,880.73 |
| Telephone Plant and Equipment | 69,731,775.18 | 80,448,087.48 |
| General Equipment | 1,129,046.03 | 1,485,320.06 |
| Total Fixed Capital | $77,520,163.00 | $89,963,099.47 |
| Investment Securities | 2,797,718.45 | 2,817,197.45 |
| Total Permanent and Long Term Investments | 80,317,881.45 | 92,780,296.92 |
| Working Assets | | |
| Cash and Deposits | 654,036.08 | 643,374.30 |
| Marketable Securities (Dom. Govt. Bonds) | 3,088,820.45 | 417,267.20 |
| Bills Receivable | 1,043,300.00 | 30,650.00 |
| Accounts Receivable | 1,110,501.16 | 1,020,863.02 |
| Material and Supplies | 1,884,799.43 | 1,656,327.44 |
| Total Working Assets | $ 7,781,457.12 | $ 3,668,481.96 |
| Accrued Income Not Due | 30,276.12 | 15,094.99 |
| Deferred Debit Items | | |
| Prepayments | 129,425.59 | 112,892.83 |
| Unamortized Debt Discount and Expense | 89,169.47 | 17,833.91 |
| Plant Inventory (Unapportioned) | .......... | 252,138.58 |
| Other Deferred Debit Items | 19,122.20 | 34,959.62 |
| Total Deferred Debit Items | 237,717.26 | 417,824.94 |
| TOTAL ASSETS | $88,367,331.95 | $96,881,698.81 |

| LIABILITIES | Dec. 31, 1923 | Dec. 31, 1924 |
|---|---|---|
| Capital Stock | | |
| Common Stock | $39,929,400.00 | $40,290,600.00 |
| Capital Stock Instalments | .......... | 6,393,694.25 |
| Total Capital Stock | $39,929,400.00 | $46,684,294.25 |
| Bonds—1925—5% | 11,250,000.00 | 11,250,000.00 |
| Bonds—1925—7% | 5,500,000.00 | 5,500,000.00 |
| Total Bonded Debt | $16,750,000.00 | $16,750,000.00 |
| Real Estate Mortgages | .......... | 8,491.13 |
| Working Liabilities | | |
| Accounts Payable | 2,336,680.32 | 1,611,740.91 |
| Accrued Liabilities Not Due | $ 1,849,638.00 | $ 2,389,231.81 |
| Deferred Credit Items | | |
| Liability for Employees' Benefit Fund | 722,752.45 | 798,256.06 |
| Other Deferred Credit Items | 1,000.00 | 3,108.00 |
| Total Deferred Credit Items | $ 723,752.45 | $ 801,364.06 |
| Reserve for Accrued Depreciation | 20,614,892.55 | 21,872,254.89 |
| Premiums on Capital Stock | $ 1,805,094.95 | $ 1,836,377.97 |
| Corporate Surplus | 4,357,973.68 | 4,927,943.79 |
| TOTAL LIABILITIES | $88,267,331.95 | $96,881,698.81 |

## Comparative Statement of Earnings and Expenses for the Years 1923 and 1924

| | 1923 | 1924 |
|---|---|---|
| Telephone Operating Revenues | $22,225,714.24 | $24,208,411.08 |
| Telephone Operating Expenses | 16,886,631.88 | 18,671,614.51 |
| Net Telephone Operating Revenues | $ 5,339,082.41 | $ 5,536,796.57 |
| Deductions: | | |
| Uncollectible Operating Revenues | $ 89,485.50 | $ 108,656.71 |
| Taxes Assignable to Operations | 982,320.00 | 1,032,482.00 |
| Total Deductions from Operating Revenues | $ 1,071,805.50 | $ 1,141,138.71 |
| Operating Income | $ 4,267,276.91 | $ 4,395,657.86 |
| Net Non-Operating Revenues | 695,876.27 | 719,481.73 |
| Total Gross Income | $ 4.963.153.18 | $ 5.115,139.59 |

| Deductions: | 1923 | 1924 |
|---|---|---|
| Rent and Miscellaneous | $ 86,018.54 | $ 95,188.68 |
| Bond Interest | 947,500.00 | 947,500.00 |
| Other Interest | 119,675.92 | 305,354.07 |
| Total Deductions from Gross Income | $ 1,153,194.46 | $ 1,348,042.75 |
| Balance Net Income | $ 3,809,958.72 | $ 3,767,096.84 |
| Dividends | 3,135,920.95 | 3,215,039.39 |
| Balance | $ 674,037.77 | $ 552,057.45 |
| Appropriation for Employees' Benefit Fund | 200,000.00 | .......... |
| Balance for Corporate Surplus | $ 474,037.77 | $ 552,057.45 |

## SYNOPSIS OF FORTY-FIFTH ANNUAL REPORT OF THE DIRECTORS

### Net Income

NET INCOME after meeting all charges for 1924 amounted to $3,767,096.84, of which $3,215,039.39 was appropriated for the regular annual dividend of $8.00 per share, leaving a balance of $552,057.45 carried to surplus.

In addition to Capital Stock of $46,684,294 and Bonds of $16,750,000 the Company has invested in its business $29,434,833, representing Reserve, Surplus, and Premiums on Capital Stock, on which the Company is not required to pay interest. This amount is over 46% of the present Capital Stock and outstanding Bonds.

### Increase in Stations

While 1924 was a period of very quiet general business, the number of stations increased by 50,607, and has now reached a total of 536,848. The gain in 1923 was 52,018 stations.

There were placed during the year 128,872 stations, the greatest number in the history of the Company, but against this is the large total of 78,265 removals through cancellation or transfer.

### "A VITAL SERVICE"

**"Your capital, in earning a reasonable wage for its use, is continuously active in providing and extending a major public service, without which our present social machinery could not function.**

**"In the business world the emphasis appears to be changing from production to consumption. A vast producing machine has been built up, and must be kept going if the community is to prosper. The encouragement of demand, the creating of markets, appear all important. This means not only the transfer from maker to dealer, but the whole programme from raw material, through transport, manufacture and delivery to dealer and ultimate consumer. Throughout, the telephone plays an indispensable part. Its value in service to its users and to the community is so greatly in excess of its cost to them that the continuous development of the telephone industry is assured; that value is increased by each telephone added to the system."**

The small householder is more and more to be counted upon as a prospect for residence service. Of the total net gains in stations as above 77% were in the homes of Ontario and Quebec.

### Long Distance Service

In view of general sub-normal conditions a falling off in long distance business might have been expected; on the contrary, there has been an increase over the previous year. The explanation lies in the fact that systematic and carefully planned use of long distance service is a growing practice of business houses in the Company's territory.

### Plant Expenditure

The gross expenditure on Capital account for plant and property was $16,475,990. This includes land, automatic machinery, buildings, switchboards and outside plant. The net addition to plant amounted to $12,086,662, the difference being chiefly old plant displaced. This illustrates the purpose of the depreciation reserve as carried in our accounts, and to which is charged all plant displaced on account of being worn out, obsolete or inadequate.

### Publicity and Advertising

Continuous publicity has kept the public informed as to the plans and progress of your Company. By examples of effective use, it has stimulated Long Distance traffic, and has impressed subscribers with the readiness of the Company to aid them in getting maximum value from their equipment.

Public demonstrations of operating methods, with moving pictures, have been continued, and were attended by some 55,000 people.

### Capital Stock

In January, the Capital Stock of the Company was increased from $40,000,000 to $50,000,000 and $8,003,900 was offered to Shareholders, being in the ratio of one share of new stock to each five shares then held. $7,936,600 of this was taken.

Your Directors now have power to issue shares to the amount of $50,000,000, of which only a small balance is unissued. At the Annual Meeting, a resolution will be offered to empower the Directors to issue shares to a further amount of $25,000,000, and that the Directors be authorized and empowered to dispose of such new Capital Stock at such times, on such terms or conditions, in such amounts and generally in such manner as they deem to be in the best interest of the Company.

### Employees' Stock Purchase Plan

Subscriptions totalling 20,078 shares were received during 1924, of which 10,859 shares were at $110 and 9,219 shares at $115. On December 31st, 7,110 employees were subscribing for 23,694 shares, for which deductions are made from pay at the rate of $3.00 per share per month. Fifty-nine (59) per cent. of the number of employees eligible to subscribe, and 53% of the total number of employees in the service, are participating in the Plan which has fulfilled the purposes for which it was created—to. stimulate thrift on the part of the employees, and to enable them to become part owners in the business in which they are engaged

### Personnel

There has continued a thoroughly satisfactory relation between executive and employees. Conferences between employee representatives and management committees have discussed Wages and Working Conditions; Thrift and Saving activities; Benefit Plan and Medical Supervision; Tools and Equipment, and many other aspects of employee welfare to mutual advantage and improved morale.

THE BELL TELEPHONE COMPANY OF CANADA
LONG DISTANCE TELEPHONE

The Independent Order of Foresters

Organized 1874

TOTAL BENEFITS

Paid to Members and their Beneficiaries

$81,000,000.00

Policies Issued from $1,000 to $5,000

G. E. BAILEY, Secretary — W. H. HUNTER, President — G. R. COTTRELLE, Treasurer

1870 FIFTY-FIVE YEARS YOUNG 1925

A life insurance company that is successful grows more vigorous year by year. "Advancing Age" in such an organization presupposes increasing strength, enterprise and activity. In that sense the Mutual of Canada will be literally fifty-five years young on March first next. It was on that date in the year 1870 that the office was opened. The dividends from year to year have surpassed expectation. The payment of these profits has been made possible by careful selection of risks, sound and remunerative investments, favorable mortality and economy in management. The Mutual is better prepared to-day than ever before to give its members maximum protection at minimum cost. The past year has proved a year of magnificent results.

BE A MUTUALIST

and share in the wonderful prosperity of this unique Canadian company.

The Mutual Life Assurance Company of Canada, Waterloo, Ontario.

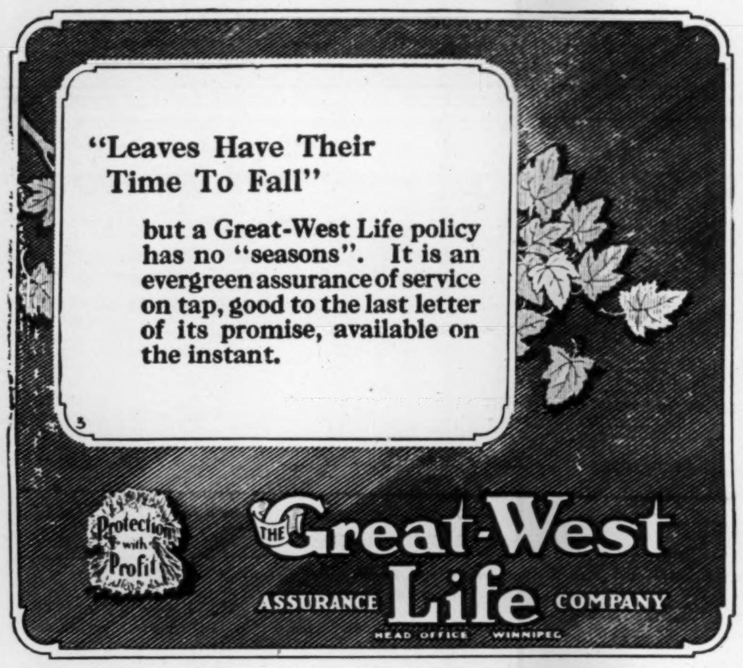
Splendid Opportunity for

LIFE INSURANCE SALESMEN

with organizing ability. Preferably 30 to 40 years of age. To appoint and assist resident agents. Salary, travelling expenses, and commission. Full particulars as to qualifications and references requested with applications.

THE MONARCH LIFE ASSURANCE CO.

M. B. Farr, Superintendent Eastern Agencies,
602 Temple Building, Toronto.



"Leaves Have Their Time To Fall"

but a Great-West Life policy has no "seasons". It is an evergreen assurance of service on tap, good to the last letter of its promise, available on the instant.

MONTREAL LIFE

Insurance Company

1924 A Record of Progress 1924

| | | Increase |
|---|---|---|
| New Business | $ 7,844,240 | 16.9% |
| Insurance in Force | 22,557,458 | 14.9% |
| Net Premium & Interest Income | 758,485 | 8.8% |
| Policy Reserves | 2,034,710 | 18.2% |
| Total Assets | 2,553,918 | 16.9% |
| Payments to Policyholders | 176,353 | 38. % |

Interest Earned on Invested Funds .... 6.42 Per Cent.

Policies include Total Disability and Double Indemnity Accident Benefits.

Free Periodical Medical Examination and Health Service to Policyholders.

A Canadian Company Doing Business Only in Canada, With Funds all Invested in Canadian Securities

HOME OFFICE : MONTREAL

### Manufacturers' Finance Earn 13% on Preferred

Manufacturers Finance Corp. earned $61,455 net profit in 1924. Total revenue was $99,091 with overhead $37,636. After providing for the two half-yearly dividends of 4 per cent. on the preferred and a contingency reserve of $15,000, there is carried over a balance of $22,036.66. The company began business operations in the early fall of 1923, so this is their first complete yearly statement.

### EQUITY LIFE'S REPORT

The annual report of the Equity Life Assurance Company shows income of $218,622. The year closed with $5,888,082 insurance in force, which was 60.83 per cent. of all insurance placed since the company began business. Expenses were 28.78 per cent. of premium income, 72.47 per cent. of interest income and 20.6 per cent. of premium and interest income, a decrease of 1.2 per cent.

# *Insurance for Buyer and Seller*

## CAMPAIGN TO AID BENEFICIARIES TO KEEP MONEY

### Belleville Chamber of Commerce Shows Up Fake Schemes

All too often the benefits of life insurance, well planned to take care of the dependents of the deceased, are dissipated in a short time by unwise investments. Insurance officials and agents have given much thought and effort to this question, even though they have not a technical responsibility in the matter, and they have found that their good intentions are frequently misunderstood and regarded as interference. A great many people imagine that wealth can be easily accumulated by the magic of speculation, and when they come into funds from an insurance policy—money that they have not had to make themselves—they are easy game for the clever salesmen of dubious securities who easily lead them to believe that the road to fortune is smooth and shining.

The Belleville Chamber of Commerce decided some time ago to put a stop to as much of this sort of thing as possible. They co-operated with the Belleville branch of the Life Underwriters' Association of Canada. Small four-leaf pamphlets were printed, and it was agreed by the Underwriters' Association that they would enclose a pamphlet with every insurance policy issued, and especially with every claim paid. This pamphlet is headed: "Warning," on the front cover, and points out it is issued under authority of the Chamber of Commerce, with the approval of the Belleville Branch of the Underwriters' Association. It shows the usual operations of the salesman who sells worthless stock, and while no definite advice is given as to what investment or security should be purchased, a plan is outlined, which, if followed by the prospective investor, should practically ensure a sound investment. It suggests a number of questions which each one should ask himself or herself or someone who knows investments, before placing any money in any concern. These questions are as follows:

1. Does your banker or some reliable financial adviser say it is a safe investment?
2. Will a bank lend money on the stock?
3. Who are the men behind the company or enterprise?
4. How much of my money goes to the salesman?
5. Can I sell the stock or other securities offered when I need money?

"Sign nothing until these questions have been satisfactorily answered."

### January Life Sales in Canada Were Higher

Sales of ordinary life insurance during January throughout the Dominion showed a gain of 1 per cent. over January, 1924, according to figures compiled by the Life Insurance Sales Research Bureau of Hartford, Connecticut.

The actual volume of these sales reached the great total of $30,800,000, and as the companies reporting through the Bureau do approximately 83 per cent. of the total business done in Canada, it is safe to say that about $37,000,000 of life insurance was placed during the month.

The cities showed better gains than the provinces as a whole, except in the case of Hamilton and Winnipeg. Other cities showed fine gains: Ottawa 49 per cent.; Quebec 39 per cent.; Vancouver 22 per cent.; Montreal 7 per cent. and Toronto 3 per cent.

### Fire Losses Discussed by Montreal Underwriters

Fire losses in Canada in 1924 reached the figure of $3.70 per head, as compared with 76 cents per head in Great Britain, where the great density of population would naturally tend to a higher fire loss. The total losses have been growing with alarming rapidity in Canada from year to year, being in 1924 slightly over $33,000,000, or only two millions less than Great Britain's losses.

This situation was discussed at the annual convention of the Mutual Fire Underwriters' Association of Ontario this week. The greatly increased number of preventable fires is being seriously considered by insurance men.

### INSURANCE LICENSES

Licenses have been issued to the Standard Marine Insurance Co., Ltd., and the World Fire and Marine Insurance Co.

### Believes the Peak of Fire Losses Has Been Reached

Speaking before the convention of the Ontario Retail Hardware Association in Toronto, C. L. Clark, manager Canadian Hardware and Implement Underwriters lamented the heavy fire losses in Canada but stated that it was his opinion that the peak had been reached. While the record of losses in the hardware business has been excellent the last two years have seen an increase in the burden as in the case of other classes of business. Mr. Clark stated that the losses of 1923 made it necessary for the company to call on its surplus to some extent but in 1924 this was not found necessary and the surplus was increased by $200,000.

### University Course Makes Better Insurance Men

The value of education in selling life insurance was forcibly portrayed by the Hon. Dr. Cody at a well-attended meeting of the Toronto Life Underwriters' Association in the King Edward Hotel, Toronto, last week. Dr. Cody commented at some length on the course in insurance subjects now being given at the university with approximately 200 in attendance and stated that this was part of the general plan of the board of governors to make the university the servant of the whole state rather than a self-centred seat of culture. As in the case of the insurance course, he stated, the governors are prepared to make provision for other courses provided a sufficient demand is in evidence and the necessary funds are available. He pointed to the big service of insurance men in teaching the lesson of thrift, which lies at the root of national success.

A new development in connection with the meeting was the issuing of a bulletin by the association covering topics of interest to the members.

### Increased Business Done by Hardware Underwriters

The Canadian Hardware and Implement Underwriters report very satisfactory operations for 1924. Taking the organization as a whole and including Canadian and United States business, premiums were increased by half a million dollars, the total written being $6,250,000. Surplus was increased by nearly $200,000 to a total of $2,018,000. Dividends totalling $2,630,000 were paid. Assets of the companies represented now total $6,250,000.

The results of the Canadian operations in 1924 were: Premiums written, $544,426; losses incurred, $209,114; expenses, $70,943; dividends paid to policyholders, $211,674. The latter, of course, were paid on the 1923 premiums, which amounted to $443,865.

Officials of the company point out that surpluses have been accumulating in addition to paying good dividends. The hardware companies have paid 50 per cent. dividends for seventeen years, this year making the eighteenth consecutive year.

In Canada last year the loss ratio was fairly high but lower than the preceding year. However, it is felt that relatively the loss ratio of 38½ per cent. is a low one and the expense ratio of 13 per cent. is regarded as a very satisfactory showing. Premiums were increased by $100,000 and $211,674 was paid in dividends to Canadian policy holders. The deposit with the department of insurance at Ottawa was increased to $315,000 and will shortly be increased again. The manager is C. L. Clark, Winnipeg.

### METROPOLITAN EMPLOYS CANADIANS

OTTAWA.—There are now 385 Canadians working in the Canadian head office of the Metropolitan Life Insurance Co. at Ottawa. These all acquired their positions there since April 28, 1924. The officials of the company state that replacements have been very few and they pay a compliment to the adaptability of Canadians and their ability to learn their jobs. There are only 33 of the 425 New Yorkers who came with the original staff still working at the head office. Most of these will go home before the first of July. A few, however, in executive positions, may be here for some years before Canadians are trained to take over their jobs.

A pension fund has been established by the company quite recently, which includes all the office and field employees of the Canadian office.

### GREAT WEST $100,000 CLUB

For the first time in the history of the Hundred Thousand Club of the Great West Life the presidency has been won by a representative from the United States, Moe Leiger, of Michigan. John Sykes, of Brandon, was qualified for the first vice-presidency. The membership of the club has been increased by 27 members as the result of the year's business. The total membership is now 160. Paid for business produced by club members last year amounted to $26,609,000, eastern members being responsible for $14,962,000 and western members for $11,647,000.

### NEW PRESIDENT MONTREAL LIFE

Arthur P. Earle, A.I.A., A.A.S.. has been elected president and managing director of the Montreal Life Insurance Company; formerly was vice-president and general manager.

### The Record of Fire Losses in Canada

| Place | Property | Date | Loss | Insurance | Cause |
|---|---|---|---|---|---|
| **Nova Scotia** | | | | | |
| New Glasgow | W. G. Fulton, res. | Feb. 13 | $12,000 | ...... | ...... |
| **New Brunswick** | | | | | |
| Moncton | T. Girouard, barn | Feb. 5 | $3,000 | ...... | ...... |
| St. John | M. Newfield, factory | Feb. 11 | heavy | ...... | ...... |
| **Quebec** | | | | | |
| Chateaugay | Oliver & Spellman, warehouses | Feb. 12 | $1,500 | covered | stove |
| **Ontario** | | | | | |
| Harwich | Lorne Kline, barn & contents | Feb. 6 | $3,000 | partial | unknown |
| Ottawa | Motor Boat Club, bldg. | Feb. 8 | 2,500 | covered | stove pipes |
| Belleville | W. Thompson Co., warehouse | Feb. 7 | heavy | partial | ...... |
| Brantford | J. Mulligan, barn | Feb. 17 | 4,000 | ...... | ...... |
| Norwood | I. Outwater, res. and contents | Feb. 12 | 1,500 | partial | ...... |
| Ottawa | P. Applebaum, factory | Feb. 12 | 4,500 | partial | unknown |
| Bridgeburg | E. D. Emerson, residence | Feb. 13 | 20,000 | ...... | ...... |
| Toronto | Patterson's candy store | Feb. 23 | 7,000 | ...... | unknown |
| Lindsay | Kirkfied Inn, bldg. | Feb. 20 | 100,000 | ...... | wiring |
| Whitby | Public School | Feb. 20 | 10,000 | 1,500 | ...... |
| Georgetown | Smith & Stone, factory | Feb. 23 | 40,000 | covered | ...... |
| Chatham | Union Natural Gas Co., Garage | Feb. 23 | 1,000 | ...... | ...... |
| Toronto | J. Richardson, 3 stores | Feb. 21 | 2,000 | ...... | ...... |
| Toronto | M. Gold, store | Feb. 22 | 2,200 | ...... | unknown |
| London | Gorman-Eckert, bldg. | Feb. 19 | 15,000 | covered | unknown |
| **Manitoba** | | | | | |
| Fort Garry | R. Mackenzie, residence | Feb. 11 | 7,500 | partial | furnace |
| **Saskatchewan** | | | | | |
| Kamsack | N. Kushnar, residence | Feb. 12 | heavy | $1,650 | unknown |
| Regina | T. H. Spence, residence | Feb. 10 | 3,000 | partial | o'heated stove |
| Weyburn | Smith's Dep't. store | Feb. 20 | heavy | ...... | ...... |
| **Alberta** | | | | | |
| Red Deer | J. Lowes, 3 cottages | Feb. 13 | 5,000 | 4,000 | ...... |
| **British Columbia** | | | | | |
| Revelstoke | Q. Romeo, store | Feb. 11 | heavy | none | ...... |

## 21-YEAR-OLD LIFE SALESMAN CLOSES 43 IN SINGLE DAY

### This is Remarkable Record of Newcomer at Ottawa Agency

**From Our Own Correspondent.**

MONTREAL.—A twenty-one year old Ottawa salesman, representing the Metropolitan Life, recently wrote forty-three different policies in one day. Thirty-four of the applicants passed the medical examiners. Most of them were young men of the salesman's age

The man who made this record was George Babcock, almost a stranger to Ottawa. He came up from the home office in New York with the group of officials who were to initiate the Metropolitan's new Canadian head office staff. He had never sold life insurance before becoming an agent at the Ottawa office.

Babcock heard of a record of 37 policies written in one day by an agent. He decided to attempt to break the record. He named Monday, Dec. 9, for his big attempt. He drew up a printed announcement that heralded his intention and then presented the document to prospective buyers. If they were in the market for life insurance he asked them to sign a pledge to buy a policy from him. Sixty signed the pledge and he was armed with these prospect pledges when he went out to do battle for a new record.

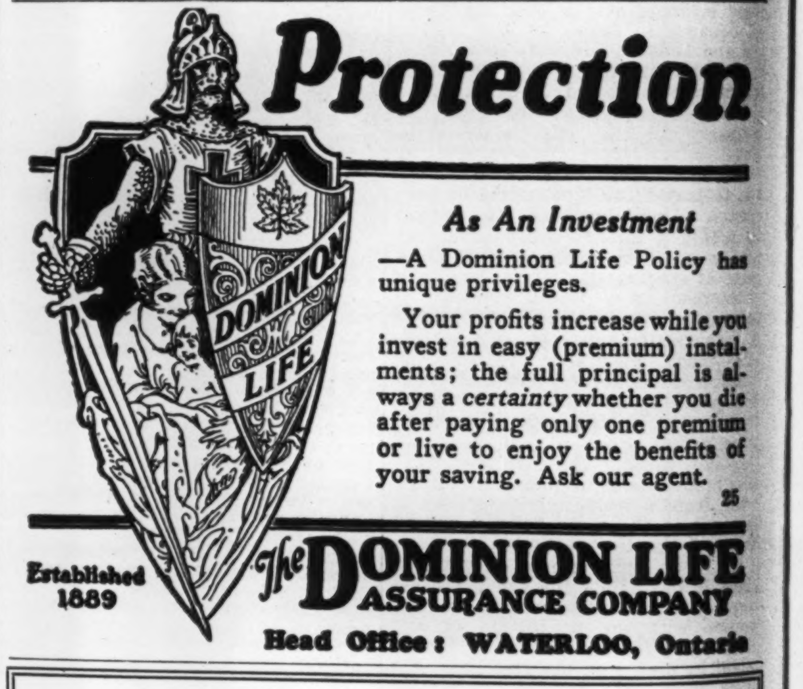
**Thermometer to Record Progress**

Second bit of stage property was a huge blackboard with a thermometer to register the progress of his campaign. The blackboard was set up in the lobby of the Jackson Building, where the Metropolitan has its head office, and when the office opened on Monday morning the race was on. A local men's wear store heard of the one man contest; it called up and asked permission to display the blackboard in its window.

"It's near Christmas and I haven't any money," many a prospect dinned into the young salesman's ears. At that, he collected a payment on the promise of delivery of the policy after the first of January. And at the end of the day, he had forty-three policies. Thirty-four passed the medical examination and represented immediate business.

### Marine Underwriters Are Next to be Threatened

Ottawa is now considering going into the marine insurance business. This step is threatened because of alleged discrimination by British marine underwriters against Canadian in favor of U. S. ports in marine insurance rates. The government as a first step to down the discrimination against Canadian ports will spend $1,663,000 to operate a dredging fleet in St. Lawrence River ship canal. This is designed to further reduce possible hazard to navigation, though it is claimed that marine statistics show record of Canada's Atlantic seaboard to be as favorable, if not more so, than that of the United States. The insurance threat stands a year to see if British underwriters will relent. Thus Canada is not only at war now with the Atlantic shipping conference, but threatens also the marine underwriters. Back of both is the charge that Canada is being discriminated against.



Protection

As An Investment

—A Dominion Life Policy has unique privileges.

Your profits increase while you invest in easy (premium) instalments; the full principal is always a *certainty* whether you die after paying only one premium or live to enjoy the benefits of your saving. Ask our agent.

25

Established 1889

The DOMINION LIFE ASSURANCE COMPANY

Head Office: WATERLOO, Ontario

Gets quicker decisions by Long Distance

"Quick decisions are what we need in bond selling. I was frankly antagonistic to using Long Distance to sell securities. I was afraid I could not sell bonds in three or four minutes.

"In thinking over the calls I had made, I realized that in nearly every case I had talked generalities to my client for half an hour before offering him bonds. Yet it had taken the client only a few minutes to decide 'yes' or 'no'.

"Then I tried Long Distance—and sold as many bonds as I would ordinarily have sold by personal calls. An offer by Long Distance demands a quick decision."

*Each new subscriber adds to the value of YOUR telephone.*

FRANK KENNEDY,
*Manager*

THE BELL TELEPHONE COMPANY OF CANADA — LONG DISTANCE TELEPHONE

THE
CANADA NATIONAL FIRE
INSURANCE COMPANY

HEAD OFFICE: WINNIPEG, CANADA
TOTAL ASSETS $2,928,337.67

TORONTO, 24 Adelaide St. W.

W. H. George, Superintendent of Agencies

Brothers of the Fire Devil

Fire damage is not the only danger to which your property is exposed. Explosions, leaking sprinklers, theft, should all be provided against by policies with the Western Assurance Company.

Since its organization, more than seventy years ago, the Western Assurance Company has built up the enviable reputation of promptly paying all just claims.

Western Assurance Company of Toronto

Established 1851

### The Sherwin-Williams Company of Canada, Limited

Notice is hereby given that the Fifty-fifth quarterly dividend of one and three-quarters per cent. (1¾%), being at the rate of seven per cent. (7%) per annum, for quarter ending February 28th, 1925, on the Preferred Stock of the Company, has been declared, payable to Shareholders of record the fifteenth day of March, 1925, and that cheques will be mailed on the 31st of March, 1925.

Books not closed.

By order of the Board.

D. A. WHITTAKER,
Secretary-Treasurer.

Montreal, February 24th, 1925.

### U. S. RECORD IN LIFE SALES

Sales of ordinary life insurance started the new year by making another new record for the United States in January, according to figures compiled by the Life Insurance Sales Research Bureau of Hartford, Connecticut.

The combined reports of the companies whose sales are reported through the Bureau showed a total for the country of $560,000,000, and as these companies do about 88 per cent. of the total business, it is fair to assume that not far from $636,000,000 was placed during the month of January on the lives of American residents.

uary 27, 1925

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## BANK OF MONTREAL

NOTICE is hereby given that a DIVIDEND of THREE per cent., upon the paid up Capital Stock of this institution, has been declared for the current quarter, payable on and after Monday, the SECOND day of MARCH next, to Shareholders of record of 31st January, 1925.

By order of the Board.

FREDERICK WILLIAMS-TAYLOR,
General Manager.

Montreal, 20th January, 1925.

## The Royal Bank of Canada

### DIVIDEND No. 150

NOTICE is hereby given that a Dividend of Three per cent. (being at the rate of twelve per cent. per annum) upon the paid-up capital stock of this bank has been declared for the current quarter, and will be payable at the bank and its branches on and after *Monday, the second* day of March next, *to shareholders* of record at the close of business on the 14th day of February.

By order of the Board.

C. E. NEILL,
General Manager.

Montreal, Que., January 16, 1925.

## Mexico Tramways Company

### GENERAL CONSOLIDATED FIRST MORTGAGE 50-YEAR 5% GOLD BONDS

NOTICE IS HEREBY GIVEN that on and after 2nd March, 1925, Coupon No. 24, dated 1st September, 1918, detached from the above Bonds, will be paid at the Bank of Montreal, Toronto, Montreal or London, England, or at the agency of the Bank of Montreal, New York, N.Y., at the holder's option.

Dated at Toronto this 16th day of February, 1925.

MEXICO TRAMWAYS COMPANY
R. H. MERRY, Secretary.

**APPLIED ECONOMICS** Course for Home Study. Covering Canadian Civics, Production, Money Credit, Exchange, Banking, International Trade, Labor, Transportation, etc., etc. Prepared by highest Canadian Authorities for Canadian Men and Women of affairs. Easy to read. Easy to understand. One Banker says it is worth more to him than a dozen of the best tests he has read. Available as a course of instruction or in book form. Descriptive booklet ready. **Address Shaw Schools, Dept. P, 46 Bloor, West, Toronto.**

## The Bank of Nova Scotia

### DIVIDEND No. 221

Notice is hereby given that a Dividend of Four per cent. on the paid-up Capital Stock of this Bank has been declared for the quarter ending March 31, 1925, and that the same will be payable on and after Wednesday, the first day of April next, at any of the offices of the Bank in Canada.

The Stock Transfer Book will be closed from the 17th to the 31st proximo, inclusive.

By order of the Board,

J. A. McLEOD,
General Manager.

Halifax, N.S., February 17th, 1925.

## DOMINION GLASS COMPANY LIMITED

### NOTICE OF DIVIDENDS

Notice is hereby given that a dividend of one and three-quarters per cent. (1¾%) has been declared on the PREFERRED STOCK of the Company for the quarter ending the 31st day of March, 1925.

Notice is also hereby given that a dividend of one and three-quarters per cent. (1¾%) has been declared on the COMMON STOCK of the Company for the quarter ending the 31st day of March, 1925.

The above Dividends are payable on Wednesday, the 1st day of April, 1925, to Shareholders of record at the close of business Monday, the 16th day of March, 1925.

By Order of the Board.

MERVYN OFFER,
Comptroller & Secretary.

Montreal, 19th February, 1925.

## The Sherwin-Williams Company of Canada, Limited

Notice is hereby given that the Eighteenth quarterly dividend of one and one-half per cent. (1½%), being at the rate of six per cent. (6%) per annum, for quarter ending February 28th, 1925, on the Common Stock of the Company, has been declared, payable to Shareholders of record the fifteenth day of March, 1925, and that cheques will be mailed on the 31st of March, 1925.

Books not closed.

By order of the Board.

O. A. WHITTAKER,
Secretary-Treasurer.

Montreal, February 24th, 1925.

# *Iron and Steel*

## BESCO BUSINESS FOR COMING YEAR WILL BE LARGER

### That is the Promise in the Present Outlook

**From Our Own Correspondent.**

MONTREAL.—The better outlook for British Empire Steel this year, in comparison with 1924, was given concrete demonstration in the company's action in getting its plants at Sydney into the swing of full-time operation. The question of coal supply for the steel mill is one of importance, in view of the overhanging cloud of a miners' strike, but it is believed that the company has stored sufficient coal to operate the steel mills, strike or no strike.

While the C. N. R. rail order is given as the reason for re-opening the plants, business generally is understood to have improved. The vice-president, J. E. McLurg, in his announcement this week, stated that 100 per cent. production of steel would be under way early in March. He stated that most of the steel would be required for the rail order.

### The Tariff Adjustment Plan

The British Empire Steel Corporation is greatly interested in the proposals of the Associated Boards of Trade of Cape Breton for the revision of the tariff on iron and steel. These proposals are summarized as follows by the corporation in the latest copy of its new bulletin:

"Canada cannot attain real greatness and its people cannot become really prosperous and achieve complete success as long as it remains content to be only a country producing enormous crops of grain and vast quantities of timber and fish and other natural products. It must also develop the means to supply its population with the manufactured articles that it requires, and the material for a very large proportion of those articles is iron or steel. In its striving toward national life and independence Canada has made some progress in the development of the iron and steel industry. There are notable works in Nova Scotia and in Ontario and at times these have been more or less successful and prosperous, but conditions have arisen which have checked their growth and which threaten their very existence. Appeals have been made to government that have been heard with much sympathy. If properly supported by members of parliament, government would no doubt make suitable provision for the relief of the iron and steel industry from the unfavorable conditions with which it has to contend at present.

"We submit that in the best interest of every section of the country such provisions should be made. Unless each and every part of the country is prosperous every other part is likely to suffer.

"This is not the opinion of any single section or of any single party. Western men and men from the East and Centre, Progressives, Liberals and Conservatives all agree.

"The only difference between them is with respect to means that must be adopted to bring about the desired result.

"Let the people who are most interested in the manufacture of iron and steel tell what is needed.

"1. A revision of the custom tariff on iron and steel that will make the ad valorem effect equal to what it was originally.

"2. The application of the higher rates of duty now provided by the tariff upon rolled sections and steel plates that are now admitted under a lower scale of duties, or free.

"3. An extension of the dumping duty that will enable the officers of customs to deal properly with importations from countries having depreciated currencies.

"The people of Nova Scotia have said that these three changes would put them in a much better position to compete with the world for the Canadian market for the iron and steel.

### After Larger Coal Markets

"Besco is making considerable progress in extending coal sales.

"During the past year representatives have been appointed in every town of importance in the provinces of Nova Scotia and New Brunswick who will as far as possible deal in coal produced by the companies included in the corporation exclusively.

"This plan is being followed largely in the province of Quebec and resident agents for the sale of Nova Scotia coal are now to be found in most of the towns in this province except of course at points where the companies have coaling stations and branches of their organization.

"In the larger centres, Montreal, Three Rivers, Quebec, St. John and Halifax, it is necessary to co-operate with a number of the principal coal dealers and in these places arrangements have been made accordingly. The whole scheme is based on two leading principles, to extend and maintain the business of the companies and to give consumers the best possible service."

## BESCO FEARS INQUIRY DEMAND IS POLITICAL

### Public Hearing is Opposed and a Private Investigation Suggested

**From Our Own Correspondent.**

MONTREAL.—The demand heard in the Maritimes for a commission of inquiry into the coal industry of the province has earmarks of being a political move designed to embarrass the Armstrong government, but it has nevertheless aroused considerable interest. The demand as framed by the Halifax Herald is for "a fair, thorough and impartial investigation of the coal industry, to put an end to the constantly recurring troubles and deadlocks and to bring stability and progress to Nova Scotia."

Officials of the British Empire Steel Corporation, which would be most affected by the inquiry, have publicly expressed the opinion that they are opposed to an inquiry that will only provide sensational copy for the newspapers of the province. They express their willingness to participate in a private inquiry that will look into rates of wages in the Nova Scotia coal mine and that will have the power to fix wages that the company and the men will alike agree to accept. Anything less would be a waste of time, the company's officials seem to feel.

J. E. McLurg, vice-president and general manager of the corporation, contends that as there are two parties to the contract, an impartial committee of investigation should inquire into (a) all matters in respect to the company relevant to rate of wages said company can pay, and (b) into all matters relating to District 26 U. M. W. of A., in so far as they affect the present situation."

The company's bulletin says this week: "A demand is being made by some of the daily newspapers in Nova Scotia for an impartial board of inquiry to investigate the British Empire Steel Corporation. It may perhaps be permissible to ask if this demand is honestly made and with the intention of allowing the board to proceed with its investigations and make its report without any comment while its sessions continue. Will these newspapers take and maintain an impartial position and await the report of the board, or will they make it a matter of business and use the proceedings of the board as a source of news day by day?

"Is there no thought of political advantage that may be gained for one party or another even at the expense of the two great Nova Scotia industries, the mining of coal and the making of iron and steel, by throwing them into the arena of party politics to be the football of every excited and not too particular orator who may have a message for the voters in the forthcoming provincial election?"

## CAN. FOUNDRIES AND FORGINGS PROFITS CUT

### Hardware Company Found Business Restricted During the Past Year

**From Our Own Correspondent.**

MONTREAL.—Telling the story of restricted activity in steel and hardware lines in Canada during 1924, the annual report of Canada Foundries and Forgings for the twelve months to December 31 last, shows reduced earnings. Liquid position was improved somewhat by an increase in working capital, which increase of $30,000 is about equivalent to an increase of $30,000 in bond issues outstanding. Net profits for the year, after providing for repairs, bad and doubtful debts, and depreciations as last year, amounted to $42,692, as compared with $93,318 in 1923. Income from investments totalled $10,000, as against $36,339, making total income of $52,692, as compared with $129,657. The deductions for administration expenses and bond and other interest amounted to $60,188, leaving a net loss of $7,496 on the year's operations.

The comparative figures for three years past are as follows:

| | 1924 | 1923 | 1922 |
|---|---|---|---|
| Net profit | $ 42,692 | $ 93,318 | $ 74,315 |
| Invest. inc. | 10,000 | 36,339 | 27 |
| Total inc. | $ 52,692 | $129,657 | $ 74,342 |
| Adm. exp. | 30,505 | 26,241 | 29,406 |
| Balance | $ 22,187 | $103,416 | $ 44,936 |
| Interest | 29,683 | 31,765 | 27,624 |
| Net inc. | x$ 7,496 | $ 71,651 | $ 17,312 |
| Invent. res. | ...... | 47,515 | ...... |
| Surplus | x$ 7,496 | $ 24,136 | $ 17,312 |
| Prev. surp. | 972,048 | 947,912 | 930,600 |
| P. & L. surp. | $964,552 | $972,048 | $947,912 |

xDeficit.

Liquid position is slightly improved, net working capital being up over $30,000 at $583,995. Bank loans were reduced by $125,442, accounts and bills payable by $72,341, and total liabilities by $197,508. The reduction in current assets amounted to $165,157, being due to lower cash holdings and reduced inventories.

Working capital position of the company as at the close of the past three years compares as follows:

| | 1924 | 1923 | 1922 |
|---|---|---|---|
| Cur. assets | $855,164 | $1,020,321 | $975,993 |
| Cur. liabilities | 271,169 | 468,677 | 443,323 |
| Net wkg. cap. | $583,995 | $551,644 | $532,670 |

After referring to the results of the year's operations, President W. M. Weir stated: "Your directors regret that the year's operations do not show better results; largely owing to a pronounced reduction in sales, which occurred notwithstanding the most strenuous efforts of the sales organization, and was a direct reflection of the lessened purchasing and slowing up of industry which was general in Canada throughout the year."

## PROTECT INDUSTRY FROM CHEAP IMPORTS

### Canadian Plants Should Not be Downed by Output in Low Labor Cost Countries

"While naturally the Massey-Harris Co. would desire that all foreign goods of the type and character which they manufacture, so long as they are being old at reasonable prices in Canada, should not be permitted to enter except under heavy handicaps, yet regard must be had to the particular situation to which Canadian Machinery called attention Feb. 12. Unless Germany has an outlet for her manufactured products, how is it possible for her to live up to the terms of the agreement she recently entered into?" says Thos. Bradshaw, general manager of Massey-Harris.

"Canada, as a nation, must be prepared to trade with practically all other nations, but it does behoove Canadians, in order to maintain our own industries and our own factories, to see that we shall be placed, so far as tariff, etc., is concerned, in such a position that we shall not be undersold. We do not think it is possible to especially exempt the goods of any one country, no matter how hostile we may have been toward it in the past. The principle of nations trading with one another must prevail.

"The practical point is that where our products cannot successfully compete with those of other countries, on account of cheap labor and cheap material, then we should be accorded such reasonable protection as will not place us in a disadvantageous position. On the other hand, our manufacturers should do everything in their power to lower their costs and thus, in measure, be able to meet the exports of other nations."

## Pressed Metals Operated at Loss During Last Year

Pressed Metals operated at a loss in 1924, the report showing $50,672 deficit which replaced a profit of $25,786 in 1923. The Canadian plant has been closed, the company operating the American Bushings Co., Marysville, Mich., only. All equipment not readily saleable in Canada was transferred to the American plant. C. C. Peck, chairman of the board, states that the class of business obtained by the American Bushings Corp. to replace Ford business proved unprofitable, as it did not materialize in sufficient quantities to make it pay. The company discontinued this line and has since concentrated on extruded work which, at the time, showed greater possibilities. Sales and production has since been steadily increasing, according to the report. Development of the overflow radiator tube on a quantity production basis is progressing as rapidly as possible without interference with production. Also considerable work has been done in developing the tube process other than for automobile use. The company reports a profit of $18,343 on the sale of a portion of its land holdings in Detroit, of which considerable part still remains unsold.

### ALLOY STEEL TO PRODUCE

Pres. W. B. Boyd, Dominion Alloy Steel, Sarnia, recently stated that the company hopes during March to be marketing 1,500 tons of galvanized sheets. The first of July will see the plant producing for the market at the least approximately 30,000 tons of black sheets per year. In other words, they will have a turnover annually of over three million dollars. A readily accessible market is waiting the production of this plant.

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**How Capital Charges Affect Freight Rates**

FACTORS which cannot be overlooked in fixing rates of a railway are provision for its capital carrying charges and the maintenance of its common stock and other junior securities upon a high plane of public confidence.

Capital charges consist of the interest on the principal and the sinking funds provided for paying off debentures or bonds when they are due.

Dividends on the common stock—which, in the case of the Canadian Pacific, is closely associated with the credit of the country—must be regularly paid in order to maintain the stability of the property and the confidence in Canadian securities of the investing public of the world.

Capital charges again are based upon cost of construction. Whether the cost has been economical or extravagant, whether the country through which the road is built is easy and inexpensive or whether it is difficult and costly, the cost of construction and subsequent permanent improvements are the big factors in capital charges.

If a railway fails to pay interest or dividends or fails to provide for sinking funds, it immediately loses credit in the world's money markets and the supplies of new capital become more difficult and expensive to obtain. The inevitable result must be that permanent improvements and extensions will become impossible, rail service will be curtailed, Canadian development handicapped and Canadian securities generally seriously affected. So it is obvious that in fixing traffic rates the question of capital charges must be taken into consideration and provided for out of the earnings of the road.

The Canadian Pacific's record of forty years of construction, operation and railway financing has demonstrated that in all these phases it has been fundamentally sound.

Construction costs never have been excessive, when the nature of the country through which it has been built, is considered. Obviously cost of construction through the mountains was higher than other sections of the road.

In spite of the fact that the Canadian Pacific pioneered the building of a transcontinental railway through an unpopulated wilderness without the obvious advantages of rail transportation for men, materials and supplies—an advantage enjoyed by other companies—still its capital costs per mile are less than those of any subsequent railway enterprise.

These lower capital charges, combined with efficiency and economy, the result of forty years of Canadian Pacific experience and development, form the basis of Canadian Pacific rates which are the yardstick by which rates in Canada are measured by the Railway Commission for all roads, so that shippers get the benefit of the lower Canadian Pacific original costs.

Even through the Western mountains the shorter distances of the Canadian Pacific between Prairie and Coast, and its lower capitalization, remain the dominant factors that advantage both the railway and its patrons.

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# CLOSE STUDY OF IRRIGATION IS ON IN SOUTH ALBERTA

## Province Imports Expert to Aid Land Settlement Policy

From Our Own Correspondent.

LETHBRIDGE.—Dr. J. A. Widtsoe, United States authority on irrigation and land settlement, is studying the "human equation" angle in colonization of the Lethbridge Northern irrigation project and the placing of that project of 105,000 acres of irrigable land on a sound profitable basis. He will make a report to the Alberta government. Premier Greenfield wants to know exactly how irrigation stands in the province; if settlers can make a living under existing conditions; and, if not, what can be done to enable them to do so. Dr. Widtsoe will tackle these problems, and it is on his report that the future policy of the government will be based.

Much confidence is felt in the Widtsoe inquiry into the problem of colonization and development of the irrigated tracts, and it is believed his report will lead to a general re-organization of the whole land settlement department of the government as it relates to irrigated lands. The other irrigated areas are prospering, the United project, for instance, having declared that it can get along nicely by fixing its rates again at $1.25 an acre. Those on the Lethbridge Northern amount to $5.25 at the present time, and it is a reduction in rates that the farmers are demanding most of all. The C. P. R. Southern, Vauxhall, Taber-Barnwell and other small projects, are in good shape and are demonstrating that with intensive cultivation irrigation farming can be made profitable.

### Increase Sheep Flocks

Another cause for encouragement is found in the trend toward diversification on the dry land areas. Farmers are turning from the one-crop method to mixed farming. They are retaining wheat as their cash crop but are adding corn, sweet clover, root crops, more livestock, especially sheep. W. H. J. Tisdale, of the Canadian Co-operative Woolgrowers' Association, Toronto, has been addressing a series of meetings through the south country under the auspices of the Breeders' Association. There will be more flocks placed on the farms this year than ever before, the high price for wool, mutton, and breeding ewes, being attractive. Lambs have sold in Lethbridge in the past three weeks for as high as $15.10 per hundred, and the flock-owners are expecting to get 45 cents at least for their wool.

The present sheep population of Alberta is 325,000 head. Most of these are found in the south and central sections of the province. It is stated by experts that the province is capable of carrying 2,000,000 sheep, or two-thirds the sheep population of the Dominion. A move is on foot to get the farmers and flock-owners together in a scheme whereby the old ewes, unfit for the range, but good for breeding, will be put out on farms on a share basis. This is being tried across the line in Montana and is proving profitable for both the sheep ranchers and the farmers.

# OPERATING REVENUES ONLY PART OF DECLINE

## Nationals Took Larger Sums for Interest Charges During 1924

From Our Own Correspondent.

MONTREAL.—It was only the practice of much economy that enabled the Canadian National Railways to come off with as small a decline in operating revenues as the figures issued this week indicated. The net revenues for the year were $17,244,251. This pays but a small proportion of the interest charges. As the interest charges have advanced very heavily during the year, the net decline in the returns from the National lines was much more than the $3,186,398 drop in operating income.

The year's results were as follows:

| | |
|---|---|
| **Operating Revenues** | |
| 1924 | $235,588,182.55 |
| 1923 | 253,135,487.61 |
| Decrease | 17,547,305.06 |
| **Operating Expenses** | |
| 1924 | $218,343,931.07 |
| 1923 | 232,704,838.53 |
| Decrease | 14,360,907.46 |
| **Net Revenues** | |
| 1924 | $ 17,244,251.48 |
| 1923 | 20,430,649.08 |
| Decrease | $ 3,186,397.60 |

The results are for operating account only.

The surpluses were earned in the central region and on United States lines, as here indicated:

| | |
|---|---|
| **CENTRAL REGION** | |
| Operating Revenues | $114,564,818.39 |
| Operating Expenses | 98,131,371.43 |
| Net | $ 16,433,446.96 |
| **United States Lines** | |
| Operating Revenues | $ 34,363,689.42 |
| Operating Expenses | 28,883,527.17 |
| Net | $ 5,480,162.25 |

In Western Canada and in the Atlantic region there were deficits, as was expected in view of the fact that most of the lifeless lines of the National Railways are in the over-railroaded prairies and in the politically-railroaded Maritimes. Results in the West and East were:-

| | |
|---|---|
| **Western Region** | |
| Operating Revenues | $ 65,938,275.20 |
| Operating Expenses | 67,062,628.69 |
| Deficit | $ 1,124,353.49 |
| **Atlantic Region** | |
| Operating Revenues | $ 20,721,399.54 |
| Operating Expenses | 24,266,403.78 |
| Deficit | $ 3,545,004.24 |

The figures will be regarded by business men as emphasising Sir Henry Thornton's remarks that Canada's greatest need is man-power.

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Adding to its favorable record of always balancing its budget and experiencing a constantly falling tax rate, the township of North York has just closed the year with a balance of $64,001.

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### Newfoundland Premier's Action Embarrasses Some

SYDNEY.—While Premier Walter Munro, of Newfoundland, may have made himself solid with the voters of the Ancient Colony by his prompt and drastic handling of Wabana iron miners' strike, he has not increased his popularity with the politicians of Eastern Canada. As a matter of fact, the Hon. Walter has put some of these gentlemen in a rather tight corner. As it has not been customary for Maritime statesmen to take more than a perfunctory hand in industrial disputes, the absence of such governmental action has been taken more or less as a matter of course but now that Munro has made such a flourish people are beginning to ask why Canadian governments should not avail themselves of the Big Stick. Hence the anguish in certain political circles. One old time Tory says: "Walter Munro ought to be spanked."

# Seventy Years in Canadian Mortgage Loaning Business

## Some Interesting History Recalled by the Anniversary of the Canada Mortgage Corporation — A Big Factor in Canada's Development

On March 1, 1925, the Canada Permanent Mortgage Corporation celebrates the seventieth anniversary of its founding. This fact is in itself worthy of special comment, but even more striking is the development of Canada's system of land credit, as illustrated in the seventy-year record of this company, in which development it played a large part.

Up until the forties there was no organized land-loaning business in Canada. The large immigration since the beginning of the century had carved out fertile farms from the wilderness and built up thriving towns. But the money stringency was acute. Banks were few and confined to the larger centres. Merchants took to issuing notes and metal tokens which circulated as money. In the agricultural districts barter was the general method of exchange in trade, and the storekeeper was the chief source of credit. Although land was the principal asset of most of the inhabitants, it was in many cases extremely difficult and often impossible to raise money upon it. The only lenders were individuals with surplus funds, and, although there was a Usury Law fixing the rate of interest at 6 per cent., the law was easily evaded by discounts, commissions, etc., and in practice interest rates ran as high as 20 per cent., and were dependent only on the exigencies of the borrower and the scruples of the lender.

### "John A" in Loan Company

It was a serious matter to Canada that so much wealth should be tied up in fixed assets, and not be available to finance the development of the country. Recognizing the need, in 1843, there was incorporated "The Trust and Loan Company of Upper Canada," the incorporators being a group of Kingston men and including Sir John A. Macdonald. The capital of this company was chiefly supplied by residents of Great Britain, and it but slightly met the demand. Closely following it there sprang up a number of organizations called "Building Societies," unique institutions that are somewhat paralleled in the present times by Chinese loaning pools.

The members of these societies contributed monthy subscriptions, and the fund so created was auctioned off to the highest bidders. When each member had obtained repayment of his subscribed share, the society automatically terminated. The defects and abuses of this system were many, but at least it was an effort to supply badly-needed capital to help build houses and buy agricultural equipment. Two of the largest and best-managed of these societies were the Toronto Building Society and the Farmers' and Mechanics', organized in 1846 and 1847.

### Canada Permanent Started

Out of these two societies there was formed in 1855 the first permanent and purely Canadian organization for mortgage lending, the Canada Permanent. While a building society in name, it was in practice and principle the genesis of the modern Canadian loan company. Its capital was fixed or permanent, it was a savings bank, and it quickly developed an organization for lending throughout the length and breadth of the province of Ontario.

The rapidity of its growth may be deduced from the fact that at the end of 1855 the amount of its loans on mortgages was $71,000, while in 1865 the total was $1,344,261, in 1875 $3,549,437, and, in 1880, only twenty-five years after its foundation, the amount exceeded $6,400,000, all loaned on Ontario real estate.

The Canada Permanent was followed by a number of other similar institutions, and their combined effect greatly assisted the industrial development of Canada. Up until 1875 the capital employed by these companies was all Canadian capital gathered from numerous small depositors and shareholders, and which would not otherwise have been available for financing the needs of the growing country.

### Mortgages in Ontario

In 1881, out of a total value in real estate in Ontario of $509,294,610, real estate to the value of $112,612,157 was under mortgage to fifty-eight of these loan companies.

In 1875 the Canada Permanent obtained the power to borrow money through the issue of debentures, and in the same year the general manager, J. Herbert Mason, visited England and Scotland and established valuable connections for the sale of these debentures. The flow of British capital to Canada through the channels so established has been the greatest single factor in affording an ample supply of money at low interest rates to Canadian borrowers.

When the Canada Permanent started in business, interest rates were brought down from 15 and 20 per cent. to 9 per cent. in the sixties, and 7 per cent. in the seventies. The tapping of the money markets of Great Britain brought a still lower rate until a minimum of 5 per cent. was reached in the nineties. Of recent years, heavy taxation, increased expenses, and the temporary cutting-off of the supply of money from Great Britain, have caused an increase in the rate which normal conditions should re-adjust.

Just as it had in Ontario, the mortgage companies played a part in the development of the Canadian West. Before the C. P. R. had been opened from Thunder Bay, the Canada Permanent had established a branch in Winnipeg, then a town of about 10,000 population.

The growtth of the Canada Permanent since 1855 is shown by the following figures:

| | 1855 | 1925 |
|---|---|---|
| Capital paid-up | $31,327.07 | $7,000,000.00 |
| Reserve fund | Nil. | 7,000,000.00 |
| Deposits | 32,952.87 | 7,334,483.13 |
| Debentures | Nil. | 22,521,235.79 |
| Total assets | 68,798.47 | 45,414,653.44 |

With the Canada Permanent is associated the Canada Permanent Trust Company. At the end of 1918 the trusts and estates being managed by this company aggregated $772,850 and its total assets were $1,145,544. At the end of 1924, the trusts and estate account amounted to $8,469,584, and the total assets were $9,893,971. The total assets of the two associated companies now amount to over $55,000,000.

### PRAIRIE BUTTER PRODUCTION

REGINA. — Saskatchewan creamery butter production for the calendar year 1924 amounted to 13,494,170 lbs., which compares favorably with the previous year, when the total was 10,472,769 lbs.

### N.S. Fertilizer Plant Hit By Imports From Belgium

Cross Fertilizers Ltd., Sydney, N. S., have not reopened their plant and are unlikely to do so unless the Federal Government will take steps to offset the effect of depreciated Belgian currency which allows the product of that country to be dumped in Canada at a price under the production cost of the Sydney plant. The report that the closing of the plant was brought about by a change in the process of steel making, robbing the slag of most of its fertilizing content, C. R. Walker, the president, says, is absolutely untrue, "and the statement is so malicious that we feel it must have emanated from someone interested in the importation of foreign goods or unfriendly for some reason to this corporation. The beginning of our troubles was in 1920 when the general slump in business took place and farmers as a result curtailed their purchases of fertilizers and many of them ceased their use altogether. Then shortly thereafter, we had to meet the competition of Belgian goods which by reason of the depreciated franc were dumped into Canada at prices much under our cost of production. On top of all this, the modest protection which our industry had previously enjoyed was taken away. It is true that due to the reduced demand for fertilizers and the competition we had to meet from Belgium, our stocks of finished fertilizers had accumulated and we had temporarily stopped grinding. We had, however, planned to resume operations about the time the Budget was introduced, but the changes made therein rendered it useless for us to attempt to continue. If the government would take some steps to off-set the effect of this depreciated Belgian currency, our industry might yet be saved to the country."

### U. S. Cattle Exports Cut

MONTREAL.—Exports of cattle from Canada in 1924 totalled 183,242 head, valued at $12,622,863, of which 79,435 head, valued at $8,402,377 went to the United Kingdom and 97,847 head, valued at $3,854,730 to the United States. This compares with total shipments of 258,977 in 1923, when 25,758 head went to the British Isles and 228,895 to the United States.

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